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INDUSTRIAL REMUNERATION
CONFERENCE

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INDUSTRIAL REMUNERATION
CONFERENCE

THE REPORT
OF THE
PROCEEDINGS AND PAPERS

READ IN
PRINCE'S HALL, PICCADILLY

UNDER THE PRESIDENCY OF THE

RIGHT HON. SIR CHARLES W. DILKE, BART., M.P.

ON THE 28TH, 29TH, AND 30TH JANUARY 1885

CASSELL & COMPANY, LIMITED
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1885

. *Each Author and Speaker has had the opportunity of correcting his remarks before publication, and is solely responsible for the statements of fact and expressions of opinion contained in his contributions to the volume*

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PREFACE.

IN the spring of 1884 a gentleman of Edinburgh determined to devote a considerable sum of money to the purpose of 'keeping before the public mind this vital question, viz.—What are the best means, consistent with justice and equity, for bringing about a more equal division of the daily products of industry between Capital and Labour, so that it may become possible for all to enjoy a fair share of material comfort and intellectual culture, possible for all to lead a dignified life, and less difficult for all to lead a good life?'

In response to his request, Sir Thomas Brassey, Mr. John Burnett, Mr. Thomas Burt, the Earl of Dalhousie, Professor Foxwell, Mr. Robert Giffen, and Mr. Frederic Harrison consented to act as the Trustees of a sum of 1,000*l.*, which should be devoted to prosecuting an inquiry into the question, *Is the present system or manner whereby the products of industry are distributed between the various persons and classes of the community satisfactory? Or, if not, are there any means by which that system could be improved?* They determined to invite the Statistical Society to assist in the undertaking, and a Joint Committee was formed, consisting of the Trustees and the following nominees of the Statistical Society: Sir Rawson W. Rawson, Professor Leone Levi, Mr. F. G. P. Neison, Major Ritchie,¹ Mr. Stephen Bourne, Mr. David

¹ Major Ritchie, M.P., was, owing to other engagements, unable to serve on the committee.

Dale, and the Rev. W. Cunningham. The Joint Committee subsequently co-opted five additional members: Mr. A. H. D. Acland, Mr. W. Crawford, Mr. W. H. Hey, Mr. B. Jones, and Mr. R. D. Roberts.

The Committee determined that they could best carry out the purpose of the trust by organising a Conference, at which the interests of Capital and Labour respectively should be adequately represented by practical men. They determined to invite papers bearing on the question, and to give opportunity for the thorough discussion of the statements made in those papers. They announced their willingness to receive offers of papers and information as to trade societies or other bodies that would wish to be represented by delegates at the Conference, and suggested the following points as specially worthy of consideration:—

1. The existing system by which the products of industry are distributed.

2. Do any artificial and remediable causes influence prejudicially

(a) The stability of industrial employment ;

(b) The steadiness of rates of wages ;

(c) The well-being of the working classes ?

3. How far, in what manner, and by what means would the more general distribution of capital, or the State direction of capital, contribute, or not contribute, to

(a) An increase in the products of industry ;

(b) The well-being of the classes dependent upon the use of capital? (Co-operative production, profit-sharing, &c.)

4. How far, in what manner, and by what means, would (1) a more general ownership of land (peasant proprietorship), of an interest in land (tenant right), or (2) the State ownership of land, conduce, or not conduce, to

(a) The increased production of wealth ;

(b) The welfare of the classes affected by the change ?

5. Does existing legislation, or the incidence of existing legislation, affect prejudicially

- (a) The production of industrial wealth ;
- (b) The well-being of the classes engaged in the production ;
- (c) The natural or the most beneficial distribution of the accumulating products of national industry (including Succession Duties, Friendly Societies, Insurance, &c.) ?

Can any of these be promoted by changes in existing legislation or taxation ?

This announcement was made in the London and provincial papers on September 8, 1884. On the same day an article appeared in the *Pall Mall Gazette* from the pen of Mr. F. Harrison, which gives a clear statement of the purposes of the founder of the trust, and the hopes entertained by those engaged in carrying it out.

A NEW INDUSTRIAL INQUIRY.

BY MR. FREDERIC HARRISON.

As I have known something of the projected Conference on Industrial Questions from the first, I may be permitted to say a few words as to its scope and nature. A gentleman of Edinburgh, who prefers to remain anonymous, some time ago consulted several persons known to take an interest in industrial problems, as to how he could best devote a certain portion of his fortune, so as 'to make some provision for keeping before the public mind this vital question, namely—*What are the best means, consistent with equity and justice, for bringing about a more equal division of the accumulated wealth of this country, and a more equal division of the daily products of industry between Capital and Labour, so that it may become possible for all to enjoy a fair share of material comfort and intellectual culture, possible for all to lead a dignified life, and less difficult for all to lead a good life?*' He received in reply various suggestions, and, after long deliberation, decided to name trustees to whom he should make over an ample fund, authorising them to arrange, in any ways they

thought best, for the holding of a public Conference on some definite industrial question, limiting the discussion to a moderately small number of representative men, nominated by well-known bodies having an industrial interest from many different sides. The original Trustees are Sir Thomas Brassey, Mr. J. Burnett (of the Engineers' Society), Mr. T. Burt, M.P., Lord Dalhousie, Mr. Robert Giffen (President of the Statistical Society), Professor H. S. Foxwell (of Cambridge), and Mr. Frederic Harrison. The seven Trustees held a series of meetings, wherein they considered the best means of giving effect with complete impartiality to the purposes of the trust. This was simply to keep before the public mind the enormous disparity of comfort resulting from our modern industrial life; which is, as the original letter puts it, at once a great evil in itself and a great danger to the commonwealth.

There are never wanting, of course, inquiries and discussions as to alleged defects in our industrial system; but they are not always fruitful in result, and they usually start from preconceived doctrines and represent one side or one interest. The Trustees have sought to originate an inquiry which should not start from any doctrine, and which should be open to all interests. They have sought to reduce to a minimum that inevitable part of every inquiry into these wide questions which is desultory, unscientific, anarchical, or doctrinaire. They would wish to have the debate limited to those who have something to tell us that will stand sifting; and at the same time they do not exclude from a fair hearing any serious opinion or school. It seemed to them that these conditions would be best attained if they proposed to one of the established associations to undertake the inquiry with a special Committee and fund. Ultimately the Statistical Society undertook the task, and named a Sub-Committee for the purpose. As the published list will show, the Committee now includes the names of men known as trained officials and administrators, statisticians, and economists; leaders of the workmen's movements and societies; men representing great estates, and men representing popular constituencies; as well as several of the economists of the younger school, both at Oxford and Cambridge, who have applied themselves ardently to the study of social problems. The idea in forming the Committee was to insure the presence of men trained to business and scientific statistics, who should be ready to look at those questions from the point of view of labour as well as capital, and who would not come to the inquiry with any hide-bound doctrines whatever.

After much deliberation, the scheme of inquiry adopted by the Committee is this. They would begin by holding a Conference, consisting of 150 members, not casually selected from a body of subscribers, much less open indiscriminately to all comers, but consisting entirely of delegates selected by a great many public associations representing labour as well as capital, or occupied in the investigation of industrial questions. Thus trades unions and chambers of commerce, co-operative and economic societies, together with all similar associations dealing with industry, either in the interests of the workmen or employer, or in the interests of society generally, would be invited to name representatives to the Conference. And, alongside of this and the public discussion of such questions, the Committee would invite papers for publication, and endeavour to collect trustworthy returns on selected points. After the Conference is concluded, the scheme contemplates the publication of the discussions, together with such papers, returns, and other information as may appear worthy of a permanent form. In this way, it is hoped, something may be done to form materials for a practical hand-book on industrial problems, the result of the work of many minds, dealing with the subject under very different conditions. The type to which such a volume or volumes would belong is the very remarkable and authoritative Report on Trade Societies, issued by the Social Science Association in 1860. That volume was the real source of almost all the knowledge before the public down to the Reports of the Royal Commission, in 1867-8-9, which, indeed, in no way superseded its usefulness. It is remarkable how many of the men who worked on that Committee of 1860, and prepared the volume that resulted from its discussions, have since been eminent in the service of the State, or in the cause of science. When men like the late Mr. Fawcett, Mr. Forster, Mr. Shaw Lefevre, and the late Charles Buxton, Frederick Maurice, and Professor Jevons combined their experience in one joint investigation, the result was at once impartial and trustworthy.

Whether the inquiry about to be undertaken will bear fruit in similar usefulness will depend on the answers given to the invitations by the public bodies and eminent authorities to whom they are addressed. The subject is, of course, in one sense, a more difficult one to grasp, because it is not confined to the association of a particular class, but relates to the field of labour in general. For the details of the scheme now submitted to the public the original Trustees are not, as a body, responsible, and by devolving their trust for execution on

the Statistical Society and its sub-committee, they have ceased directly to control the organisation. But it is their earnest hope that some little thing may be done to keep before the eyes of the public the need of unremitting efforts to mitigate the acknowledged dangers which beset our industrial life. Men like Mr. Burt and Sir Thomas Brassey, Mr. Burnett and Mr. Giffen, view that industrial life from very different points of view, and they often differ widely as to what the dangers are, and how they could be lessened. But they have felt, like all their colleagues in the trust, and of the Special Committee of organisation, that they ought not to decline the task thrown on them by a man of generous public spirit, who is as completely free from any personal object in founding this trust as they are themselves in accepting it. And I believe they all agree with him when he says, 'Wealth, luxury, and extravagance among the few, accompanied by poverty, misery, and want among the many, is at once a great evil in itself and a great danger to the commonwealth.'—*Pall Mall Gazette*, September 8, 1884.

When the Committee came to consider the practical arrangements of a three days' Conference in greater detail, it became obvious that the questions must be put somewhat differently if they were to evoke good discussion, and the business of each day was planned as follows:—

FIRST DAY.

Has the increase of the products of industry within the last hundred years tended most to the benefit of capitalists and employers, or to that of the working classes, whether artisans, labourers, or others? and in what relative proportions in any given period?

SECOND DAY.

Do any remediable causes influence prejudicially

- (a) The continuity of industrial employment;
- (b) The rates of wages;
- (c) The well-being of the working-classes?

THIRD DAY.

Would the more general distribution of capital or land, or the State management of capital or land, promote or impair the production of wealth and the welfare of the community?

In addition to the papers offered, some of which the Committee were unable to accept, papers were invited from representative men, who were known to be well qualified to put forward the views of some important classes of the community, or who were authoritatively recommended as competent to express the views of some association.¹

The Committee then proceeded to invite additional delegates to the Conference from bodies connected with different interests. They desired that the Conference should be composed so far as possible as follows :—

| | Number of Delegates. |
|--|-------------------------|
| 1. Delegates of Chambers of Commerce (10) and Associations of Capitalists engaged in Industry (10) or Agriculture (10) | 30 |
| 2. Delegates of Trades Unions | 50 |
| 3. Delegates of Friendly Societies | 10 |
| 4. Delegates of Distributive (5) and Productive (10) Co-operative Societies | 15 |
| 5. Delegates of Economic, Literary, and Social Societies | 20 |
| | 125 |

The Conference met on the 28th, 29th, and 30th of January, 1885, in the Prince's Hall, Piccadilly, under the presidency of Sir Charles W. Dilke. There was a fair attendance of the general public, especially on the afternoon of the third day. The present volume contains the papers prepared for the Conference, along with a verbatim report of the discussions.

¹ This was the case with Mr. Hyndman and Mr. W. Morris, who were invited by the Committee, on the recommendation of the Social Democratic Federation, to write or furnish papers from the Socialist standpoint, but who did not do so and did not attend the Conference. Subsequently three delegates from the Federation were admitted and took part in the discussions.

The papers and reports have been in all cases submitted to the authors and speakers for revision, but the Committee has determined that the volume should be a faithful report of the proceedings of the Conference, and have only provided for the omitting of one or two personal and political allusions which had no real connection with the purpose of the trust. Each reader or speaker is solely responsible for the accuracy of the statements made as to matters of fact. In some cases, the assertions made appeared to members of the Committee to be demonstrably wrong, but they have determined not to carry the argument on such matters farther than was done in the Conference itself. Mr. D. Cunningham, Mr. Hutchinson, and others of the authors have made brief additions to their papers, and the Committee have also inserted two contributions as appendices. One of these is a paper representing the views of the *Shop Hours League*. Two members of this body attended the Conference at very great personal inconvenience, but owing to the fortune of the ballot they were unable to bring the views of the very large class they represent before the Conference. A short letter has also been reprinted which was addressed to the *Times* by Professor Nicholson, whose duties in Edinburgh rendered it impossible for him to be present and reply to the criticisms on his paper.

LIST OF MEMBERS
OF THE
INDUSTRIAL REMUNERATION CONFERENCE.

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The Right Hon. G. J. SHAW LEFEVRE, M.P.

The Right Hon. A. J. MUNDELLA, M.P.

Committee :

- *Mr. THOMAS BURT, M.P., Reform Club, S.W.
- *Mr. J. BURNETT, 90 Blackfriars Road, S.E.
- *Professor FOXWELL, St. John's College, Cambridge, *Hon. Sec.*
- *Mr. F. HARRISON, 38 Westbourne Terrace, W.
- *The Earl of DALHOUSIE, K.T., 86 Brook Street, W.
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- †Mr. DAVID DALE, Darlington.
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- ‡Mr. R. D. ROBERTS, Clare College, Cambridge.
- ‡Mr. A. H. D. ACLAND, Fyfield Road, Oxford.
- ‡Mr. B. JONES, Co-operative Wholesale Society, Hooper Square, E.
- ‡Mr. W. H. HEY, 3 William's Place, Victoria Road, Peckham, S.E.
- ‡Mr. W. CRAWFORD, North Road, Durham.

*Trustees.

†Nominated by Statistical Society.

‡Co-opted by Committee.

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 Mr. D. Cunningham, M.Inst.C.E., Harbour Works Office, Dundee.
-

DELEGATES.

- Aberdare, Merthyr, and Dowlais Miners' Association :
 Mr. D. Morgan, 21 Dean Street, Ab rdare.
- Agricultural Labourers' Union :
 Mr. Ball, Chipping Hill, Witham, Essex.
- Alliance Cabinet Makers' Association :
 Mr. J. R. Smith, 64 Finsbury Pavement, E.C.
- Allotments Association (Maidstone):
 Mr. C. Beale, Holland Street Maidstone.
- Amalgamated Bootmakers :
 Mr. Donald McGregor, 38 Charlotte Street, Fitzroy Square, W.
- Amalgamated Cabdrivers' Society :
 Mr. E. Dyke, 6 Camera Square, Chelsea, S.W.
 Mr. G. S. Ross, 112 Pitfield Street, Hoxton, N.
 Mr. H. W. Rowland, 26 Bouverie Street, E.C.
- Amalgamated Cotton Spinners :
 Mr. William Cape, 32 Albert Street, Ramsbottom.
 Mr. J. Mawdsley, 260 Ashton New Road, Manchester.
- Amalgamated Society of Carpenters and Joiners :
 Mr. J. S. Murchie, 95 Brunswick Street, Ardwick Green, Manchester.
- Artisans' Technical Association :
 Rev. Henry Solly, East Croydon.

Assington Farming :

Mr. R. Taylor, 4 Bramah Road, Mostyn Road, Brixton, S.E.

Associated Society of Shipwrights :

Mr. Alexander Wilkie, 23 Maxwell Street, Partick, Glasgow.

Mr. D. M. Anderson, 106 Byker Street, Walker, Newcastle-on-Tyne.

Association for the Defence of British Industry :

Mr. C. A. Upton, Mount Pleasant, Merton Road, Wandsworth, S.W.

Bedminster Union :

Mr. Stephen Harding, Bower Ashton, near Bristol.

Birmingham Philosophical Society :

Mr. J. Middlemore.

Boot and Shoe Riveters (Leicester) :

Mr. George Sedgwick, 30 Gladstone Street, Leicester.

Borough Hop Trade Mutual Friendly Society :

Mr. C. Oscar Gridley, 9 Duke Street, London Bridge, S.E.

British Iron Trade Association :

Mr. I. Lowthian Bell, Rounton Grange, Northallerton.

Mr. J. S. Jeans, Victoria Mansions, S.W.

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Mr. Mort, Truell Grove, Eccles.

Edinburgh Social Union :

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English Land Restoration League :

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Labourers' Union (Kent and Sussex) :

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Scottish Land Restoration League :

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Scottish Wholesale Co-operative Society :

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Mr. J. F. Millar, 4 Peet Street, Edge Hill, Liverpool.

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Mr. J. Burns, 8 Holden Street, Shaftesbury Park, Battersea, S.W.

Mr. J. McDonald, 24 Edward Street, Hampstead Road, N.W.

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Miss G. J. King, 22 Berners Street, W.

Statistical Society :

Mr. Rowland Hamilton, Oriental Club, Hanover Square, W.

Statistical Society of Ireland :

Prof. Barnstaple, 23 Trinity College, Dublin.

Tailors (Amalgamated) :

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Trades Council, Bolton :

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Trades Council, Edinburgh :

Mr. Neil McLean, 30 Dalry Road, Edinburgh.

Trades Council, Hull :

Mr. W. J. Strachan, 24 Pennington Street, Holderness Road, Hull.

Trades Council, Hyde :

Mr. George Wilde, 27 Jane Street, Haughton Denton, near Manchester.

Trades Council, Leeds :

Mr. John Judge, 26 Darley Street, Leeds :

Trades Council, Liverpool :

Mr. A. Clark, 47 Hart Street, Liverpool.

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†Miss Rogers, 35 Ranelagh Road, Pimlico, S.W.

†Miss Whyte, 5 Macclesfield Street, Soho, W.

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Trades Council, Middlesborough :

Mr. William Snow, 14 Middlesborough Road, South Bank.

Trades Council, Sunderland :

Mr. W. Foreman, 14 Bramwell Street, Sunderland.

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Mr. Burnett, 90 Blackfriars Road, London, S.E.

Mr. A. W. Bailey, 179 North Road, Preston.

Typographical Association :

Mr. H. Slatter, 74 Everton Road, Manchester.

Weavers, Northern Counties :

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Weavers' Association (Power Loom):

Mr. John Marshall, Clark Yard, Church Street, Preston.

West Suffolk Chamber of Agriculture:

Mr. William Biddell, M.P.

Window Glass Makers' Federation:

Mr. Joseph French, Co-operative Glass Blowers' Association, Sunderland

Woman's Protection and Provident League:

†Mrs. Cooper, 1 Silver Street, Holborn, W.C.

†Rev. Stewart D. Headlam, National Liberal Club, S.W.

†M. Adolphe Smith, 13 Sutherland Place, Pimlico, S.W.

Workman's Association for Defence of British Industry:

Mr. H. J. Pettifer, 171 Commercial Road, S.E.

Delegates whose names were marked † attended alternately with other representatives of the same society.

RULES.

THE following Rules were adopted for the discussions in the Conference :

I. That the several subjects selected for discussion be introduced by two (or more) papers, each of which may occupy about twenty minutes, together with ten minutes for the reply, so that ample time may be reserved in each session for free and open debate.

II. As it is not intended to pass any resolutions at the Conference, no question arising out of any paper read or subject treated shall be put to a vote.

III. That all questions concerning the order of proceedings or the relevancy of any argument shall be in the discretion of the Chairman, whose decision shall be final.

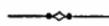
IV. That every member of the Congress desirous of speaking on the subject of discussion shall give his name in writing to the Secretary in attendance, and await the call of the Chairman.

V. That every speaker shall address the Chair only, confine himself strictly to the subject under discussion, cease when time is called, and not be permitted to speak twice on the same subject.

VI. That the time allowed to each speaker shall not exceed ten minutes, and that at the discretion of the Chairman the speeches during the last hour, or any part of the last hour, of each session may be still farther limited.

VII. That the Chairman shall call on speakers in the order in which their names are sent in ; but if more than six names are sent in during the reading of the papers, he shall ballot for the order in which speakers shall be heard, and may in doing so exclude the names of those speakers who have already addressed the Conference on *other* topics, so that they shall only be called on after fresh speakers have been heard.

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INDUSTRIAL REMUNERATION CONFERENCE.

WEDNESDAY, JANUARY 28, 1885.

OPENING SPEECH.

BY SIR CHARLES W. DILKE, BART., M.P.

President of the Conference.

THIS is a Conference presided over by a committee of which a third are representatives of the Statistical Society, and it is as a member since 1867 of the Statistical Society, and as an old member of the Political Economy Club, that I have been asked to occupy the chair. The Conference is one of delegates of chambers of commerce, delegates of associations of capitalists, among whom we have Mr. Lowthian Bell, delegates of trades unions, among whom we have Mr. Burnett and other well-known men, delegates of Friendly Societies, and delegates of economic societies, such as Lord Bramwell, who comes on behalf of the Liberty and Property Defence League. The committee only offer a fair field for discussion, which they believe will prove useful. They have no collective opinion, and are not responsible for the opinions put forward by the various writers and speakers. So far as I have seen the papers, most of them are strongly in favour of large changes in the laws, but not in favour of what may be called communistic change. Those who will take part in the Conference belong to both great parties in the State, and represent very varying forms of opinion of all kinds. For my part, I am sorry that

foreign opinion will not be largely represented here, and I am especially sorry that we have no representatives of that school of thought in Germany of which Fichte was the father, and the doctrines of which have descended through Lassalle to no less a person than the Iron Chancellor. Ideas, revolutionary no doubt, but not worked out with revolutionary haste; for even Lassalle declared that two centuries would be needed to replace the wages system by one which, in his opinion, would be better. In 1878 Prince Bismarck used some words which we might take here as our text:—‘ We try for Government experiments on different systems of cultivation of the soil. Would it not be as well to try similar experiments as to the labour of man, and to try to solve, by the improvement of the toilers’ lot, that social question which lies at the root of what is called Social Democracy?’ In 1882, in pressing on the attention of his Chambers his plan of workmen’s insurance, which was his own favourite child, Prince Bismarck said:—‘ Our endeavour is to reach a state of things in which no man can say, “ I bear the burden of society, but no one cares for me.” The Kings of Prussia have been, are, and shall be, the kings of the poor, the kings of the beggars in rags.’ As we have not the advantage of the presence of any representatives of these German ideas, let me call the attention of the Conference to the fact that an account is given of a portion of Prince Bismarck’s social policy in two able Parliamentary Papers which were circulated in 1883 and in 1884 respectively. The point which strikes one most forcibly in studying the science of political economy in relation to the whole development of human thought and life is its close and necessary connexion with morality, or ‘ morals.’ If we take that branch of considerations which deal with the distribution of wealth, of which the question of industrial remuneration forms a part, we find that the science of political economy, while pointing out the inequalities which attend this distribution and the causes to which they are due, appeals for aid to the cultivation of habits of self-control, of foresight, to the development of the intelligence and of the moral nature. It is useful to bear in mind these considerations while discussing the question before us. They will help us to a clearer

conception of what aid we may expect from society, from the State, and what we must expect from ourselves as individuals. By laying, for example, greater burdens on the wealthy, society may make the rich poorer, but it cannot make the toilers really richer unless the relief obtained is applied in such a way as to tend to the mental and moral development of the people. This is, to my mind, one of the greatest problems of our modern social change, and I shall look most anxiously for any light which your discussions may throw upon it. (Applause.)

MORNING SESSION

HAS THE INCREASE OF THE PRODUCTS OF INDUSTRY WITHIN THE LAST HUNDRED YEARS TENDED MOST TO THE BENEFIT OF CAPITALISTS AND EMPLOYERS OR TO THAT OF THE WORKING CLASSES, WHETHER ARTISANS, LABOURERS, OR OTHERS? AND IN WHAT RELATIVE PROPORTIONS IN ANY GIVEN PERIOD?

Has the Increase of the Products of Industry tended most to the Benefit of Capitalists or to that of the Working Classes?

BY SIR THOMAS BRASSEY, M.P.

I HAVE consented to take part in this Conference in the hope that it may be the means of disseminating useful knowledge and experience among the masses whose lot it is to labour. It was well said by M. Turgot: 'On peut être opprimé par un seul tyran, mais on peut l'être tout autant et aussi injustement par une multitude.' These are not times in which it is well to hold aloof from the trusted representatives of labour, or from the authors of new theories of industrial and social organisation.

It may be that the discussions at this Conference will bring to light some visionary schemes, but is there a man amongst us, who has given a thought to the subject, who sees no room for improvement in the existing economic condition? Does any man question the advantage of a more equal distribution of wealth, or a closer community of interests between capitalists and workmen? To those who with the late lamented Mr. Fawcett have faith in the unlimited capacities of the human race to improve, a conference like this is a golden opportunity. To those who are hopeless, perhaps reckless, for the future, our discussions may appear contemptible. That is not the view of those who are assembled within these walls.

As to the tone in which our discussions shall be conducted, I cannot doubt that a generous toleration will smooth the asperities of debate. As the late Mr. Jevons truly said, in the introduction to his essay on *The State in relation to Labour*, 'The time has come when all class rancour, all bitter terms, all needless reference to former unfortunate occurrences should be laid aside. The economic errors of trades unions are after all not greater than those which pervaded the commercial and even the governing classes a generation ago.' Coming here as the representative of the capitalist class I shall ask that it may be remembered that abstinence from enjoyment is the only source of capital, that it is upon the increase of capital that advances of wages depend, while labour, on the other hand, to use the eloquent phrase of Mr. Mongredien, is the vivifying principle which preserves capital from decay.

I much regret that the limits of time will prevent me from entering upon many topics of the greatest practical importance, including the power and the functions of trades unions, the extension of profit-sharing and co-operation, the representation of labour in Parliament, the recreations of the people, national education, and the value of our colonial connexion to the trade of the mother country and as a field for the energies of her sons.

The loss on the present occasion of such men as Professor Fawcett and Mr. Jevons will be deeply deplored.

And now let us turn to the special subject for discussion. To attack such a topic exhaustively in twenty minutes is impossible. In the circumstances, I have thought that to bring together the testimony of accredited authorities, giving their conclusions, without attempting to produce their facts, would be found an effective method of treating the subject.

Beginning with the most recent writers, Mr. Jeans, the able Secretary of the British Iron Trade Association, has recently published a pamphlet on the comparative earnings of workmen at home and abroad. For England he estimates the average in 1880, at 42*l.* per year. In 1867, a similar calculation by Mr. Leone Levi resulted in an average of 38*l.* Since 1850, as Mr. Jeans shows, a more or less considerable rise in wages has been obtained throughout the whole civilised world—a rise

exceeding that of any previous period of equal duration, and attributable to four principal causes—the application of steam to locomotion by sea and land; the increasing use of labour-saving machinery; the enormous increase in the exports and imports; and the gold discoveries. According to the statistics compiled by Mr. Lord for the Manchester Chamber of Commerce, the percentage of increase in 1883 over 1850 in ten leading industries was 39·18 per cent., ranging from 10 per cent. in mechanical engineering to 74·72 in certain branches of the cotton trade. In agriculture, the advances prior to 1850 have been ascertained by Sir James Caird. The wages of agricultural labour in England were 7s. 3d. per week in 1770; 9s. 7d. in 1850; 14s. in 1878; and, in Cheshire, 17s. 6d. in 1880. In the 80 years prior to 1850 the advances were 2s. 4d. a week or 32 per cent. In the next 28 years, the advances were 4s. 5d. or 46 per cent. Mr. Jeans gives his general conclusion as follows: There has been within recent years a tendency to the cheapening of articles of every-day consumption, and this movement, running concurrently with better remuneration for labour, has induced a higher standard of living than formerly. There is nothing to show that population is pressing on the means of subsistence.

Mr. Mulhall, whose researches on this subject are known to all students of statistics, in the introduction to his volume, *The Balance Sheet of the World*, addresses himself to the special subject selected for discussion by this Conference.

‘All indications point to the conclusion that the number of persons in easy circumstances, or at least above want, is increasing much faster than population.’ He quotes in evidence ‘the reduced ratio of paupers to population, 4·79 per cent. in 1870 and 3·29 in 1880.’ He shows an increase of 20 per cent. in the consumption of imported food and tobacco, and of 30 per cent. in the deposits in the savings banks.

Professor Rogers, who has carried his inquiry on the subject of wages far back into history, and who cannot be suspected of an undue partiality for the hereditary landowners or the capitalist classes, in his last volume, gives statistics which clearly show the melancholy condition of the labourer at the

close of the last and the beginning of the present century. In contrast with this gloomy picture of the past he expresses his conviction that 'the workmen of this country, speaking of them in the mass, are to-day better paid than those of any other settled and fully peopled country, if one takes into account not merely the money wages which they earn, but the power which those wages have over commodities. The rise is entirely of the last thirty years, and unfortunately it has not been shared by all in proportion.'

I give one more quotation from a teacher of economic science. Professor Bonamy Price, in the chapter on trades unions in his treatise on political economy, expresses the opinion that, as an almost universal rule, industrial fortunes are not made out of a high rate of profit, but out of moderate profits earned by large operations. As an indication of the improved condition of the labouring class, he points to the fact that, while the population of London has trebled since 1815, the number of paupers is about the same. But while the numbers are unchanged, the cost of maintenance has been increased fivefold. The rule is, that the pauper shall be maintained at such a standard of living as is usual with labourers of the humblest class. The difference, therefore, in the cost of maintenance has arisen from the more liberal ideas which now prevail as to what is necessary for the poor. A much more elevated minimum of wages has been secured; and the rise is not in nominal wages only, but in the effective purchasing power.

A recent and strictly commercial view of the situation is given in the *Economist* review of the trade of 1882.

The working-man has done well. His food and clothing have been cheap, and work has been abundant. This state of matters places the power of saving throughout the country mainly in the hands of the class which, up to the present time, has saved least, and which invests such savings as it makes principally in fixed investments or in Government securities.

Statistics with reference to the state of trade, and the remuneration and supply of labour, are indispensable to form sound judgment as to the relative claims of capital and labour. In

the collection of statistics on this subject England is certainly not in advance of other countries. The statistics of the foreign trade of the country are tolerably complete; but with regard to the internal trade, which is of far greater importance, the traffic returns of the railway companies are practically the chief indications of the fluctuations of our internal trade. The Government should take in hand the collection and publication of the statistics of the internal trade of the country; and with regard to the remuneration of labour and the cost of living, the Board of Trade should at frequent intervals issue publications similar to those put forth by the Bureau of Labour of the State of Massachusetts and by the Statistical Department at Washington.

The wide extension of commerce and the greater facilities of communication by sea and land which we owe to the introduction of steam, have led to a steady reduction in the cost of the principal articles of consumption. The fluctuations, as determined by Mr. Giffen, and expressed in the form of index numbers, are as follows:—1865, 3,575; 1868, 2,682; 1879, 2,227; in 1884, the *Economist* gives 2,221 as the index number. At the prices of 1883 the wheat imports of 1884 would have cost four millions more. For our imports of sugar we paid five millions less, and we imported a greater quantity. The cheapening of commodities has led to an increase of consumption which may be estimated roughly, for many articles of food not of the first necessity, at double the amount of twenty years ago.

Turning from contemporary inquiries to former investigations, I would particularly refer to a paper read by Mr. Porter before the British Association in 1850 on the accumulation of capital by the different classes of society. Then, as now, the sources of information were limited. The deposits in the savings banks had largely increased. The return of the dividends upon portions of the public debt showed a large increase in the number of persons receiving £5, while other classes remained stationary. The comparisons of the Income Tax Returns between 1812 and 1848 showed that while the total amount assessed had increased by 168·21 per cent., the increase in the lowest class, between 150*l.* and 500*l.*

per annum, was more than 56 per cent. greater than in the highest class of incomes. He made a comparison of probate duty with similar results, and having examined all the official returns which have afforded means for arriving at the truth, he found the most perfect agreement in their results, all pointing to the conclusion that there was nothing to justify the fears of the probable disappearance of the middle classes.

In the *Progress of the Nation*, Mr. Porter deals most elaborately with the condition of the wage-earning classes. The following passage gives the general result of the inquiry:—

If we look back on the condition of the masses of the people, as it existed in this country, even so recently as the beginning of the present century, and then look around us at the indications of the greater comfort and respectability which meet us on every side, it is hardly possible to doubt, that here in England at least the elements in social improvement have been successfully at work, and that they have been, and are, producing an increased amount of comfort in the great bulk of the people.

It will be remembered that Mr. Porter was writing but a short time after the miserable year 1842, a year of which Miss Martineau, in her *History of the Peace*, writes as follows:—

In 1842, distress had so deepened in the manufacturing districts, as to render it clearly inevitable that many must die, while there seemed no chance of any member of the manufacturing class coming out of the struggle with a vestige of property. In Carlisle, a Committee of Inquiry found a quarter of the population in a state bordering on starvation. In Stockport, more than half the master spinners had failed. At Leeds, the paupers' stone heap amounted to 150,000 tons. In Dorsetshire, a man and his wife had for wages 2s. 6d. per week, and three loaves, and the ablest labourer had from 6s. to 7s.

In so far as the public welfare can be promoted by the diminished pressure of taxation, the United Kingdom compares favourably with the rest of Europe. In the decennial period of 1870–80 the amount of taxes per inhabitant had increased, according to Mr. Mulhall, in Great Britain from 3l. 13s. 5d. to 3l. 19s. 9d., while for the rest of Europe the increase was from 1l. 18s. 7d. to 2l. 7s. The increase in Great Britain was

considerably less in amount, and the increased expenditure was devoted wholly to education and to the general improvement of the civil government of the country. The increased expenditure on the Continent was devoted to military preparations. The changes are still more remarkable in the statistics of National Debt. The amount for each inhabitant of Great Britain was reduced from 25*l.* 7*s.* to 22*l.* 9*s.* For Europe, on the other hand, the amount rose from 7*l.* 16*s.* to 12*l.* 10*s.* As regards the incidence of taxation, the whole weight of the additional burdens in this country has been thrown on the capitalist classes. Our total expenditure increased from 77,440,000*l.* in 1874 to 89,000,000*l.* in 1883, while the revenue from customs and excise exhibits no material change. The increased expenditure has been met by an advance of two millions on the stamp duties and by raising the income tax from 3*d.* to 6½*d.* in the pound. Fair Trade—or, in other words, Protection—has been advocated as a means of improving the condition of our agricultural and industrial population. These retrograde proposals have, happily, found little support among the thoughtful and instructed representatives of labour. They well know that free trade has been a mitigating force, that it has preserved the people from the alternatives of misery and comparative plenty which they experienced before the repeal of the corn duties.

Of the legislation of recent years it may be confidently asserted that it is marked by an earnest desire to do justice to labour. The Factory Acts, with which the honoured name of Shaftesbury will be for ever associated, were the beginning of a new era of labour legislation. The right of the labourers to combine to raise their wages, which had been denied to them from the reign of Elizabeth, was recognised at last by the Act of 1875. By that statute it was declared that no combination of persons was to be deemed criminal if the act proposed to be done would not be criminal when done by one person. This seems an obvious principle, but it was new to the law of England. When the present Administration came into power the Employers' Liability Act was one of the first measures which they inscribed on the statute book. Among the various

efforts made by the Government of this country to raise the condition of the masses, the Education Act and its necessary accompaniment, the extension of the franchise in the counties, are, perhaps, the first in order of importance. No agencies are so capable as these of securing the moral and material advancement of the people. In raising the efficiency of labour the results of education are certain. Much yet remains to be done in education. Our educational wants include not only the primary instruction which is now happily universal, but that technical education which is far more fully and cheaply organised on the Continent than with us. Our educational wants include some homely subjects which have hitherto been too much neglected in this country. I would refer, as an illustration, to the art of cooking. With more skill in the use of materials it is certain that much might be done to diminish the cost of living without diminishing the standard of comfort. Economy in household expenditure is better understood in many parts of the Continent than with us. A most useful movement has been set on foot at South Kensington to extend the knowledge of cookery. Progress must of necessity be slow; but great results may, ultimately, be accomplished.

I conclude this branch of my subject with an extract from the *History* of Lord Macaulay. It contains an observation which is abundantly supported by the active sympathy for the improvement of the masses which we see on every side. Contrasting the wages paid in the time of Sir William Petty with the wages and prices of the date when he was writing, Lord Macaulay says:—

A hard struggle for life was maintained, by accepting a miserably low standard of living, by the cruel and reckless employment of child labour, and by supplementing wages from the poor-rates to such an extent that in the reign of Charles II. the poor-rate was little less than half of the entire revenue of the State.

The more carefully we examine the history of the past, the more reason shall we find to dissent from those who imagine that our age has been fruitful of new social evils. The truth is that the evils are, with scarcely an exception, old. That which is new is the intelligence which discerns and the humanity which remedies them.

Having shown what advances have taken place in the accumulated wealth and in the general well-being of the country, I will give some evidence to prove that tendency of profits to a minimum which must inevitably result from the progress of civilisation and the providence and sense of security which it creates.

The rate of profit in business is a subject of great importance to the labourer. More or less, wages must follow the fluctuation in profits. In many trades the want of correct information as to the profits realised by their employers constitutes a great difficulty for workmen. They do not know when to press their demand, nor when to acquiesce in reduction in the rate of remuneration for their labour. It may be safely affirmed, speaking of the larger industries of the country, that profit in excess of the ordinary returns, not immoderate in amount, which is obtainable through commercial operations, can only be realised under exceptional circumstances. A new discovery, a new process, the exclusive command of a good opportunity, will enable the employer for a time to realise a temporary advantage; but sooner or later he will be deprived of that advantage by competition. The larger the accumulation of capital in a country the greater will be the tendency of profits to a minimum, the keener will be the competition in any industry which happens for a time to afford the prospect of exceptional profits.

Writing some thirty years ago, the returns upon safe investments in England were estimated by Mr. John Stuart Mill at from 3 to 4 per cent. In the near future he believed that the annual increase of capital would bring down the rate of profit to 1 per cent. but for the counteracting circumstances of waste of capital in periods of overtrading, improvements in production, greater facilities for obtaining cheap commodities from foreign countries, and the perpetual overflow of capital into colonies in search of higher profits.

The present rate of profit upon investments may be gauged with accuracy by tests which it is easy to apply. The high price of the funds and of railway debentures is an evidence at once of the accumulation of savings, and of the increasing diffi-

culty of finding more profitable investments. The average price of consols has advanced from 88 in 1860 to $93\frac{3}{4}$ in 1875. It has ranged from $99\frac{5}{8}$ to $102\frac{1}{8}$ in 1884. Four per cent. debenture stocks of our railway companies are issued at the rate of many millions per year, and the price has advanced to 116. Other indications of a similar character are afforded by a comparison of the net returns of our railways and the premiums upon stocks. In 1882 the net receipts upon an authorised railway capital of 878 millions were 4.32 per cent. The stocks of the more important lines would not return at present prices a rate of interest in excess of the average net receipts for the whole capital invested in railways. The fluctuations in the Bank rate in ten years, 1873–1883, have been as follows: $4\frac{3}{4}$, $3\frac{1}{4}$, $2\frac{5}{8}$, $2\frac{7}{8}$, $3\frac{3}{4}$, $2\frac{7}{8}$, $2\frac{1}{4}$, $3\frac{1}{2}$, $4\frac{1}{8}$, $3\frac{9}{16}$. If the secure profits of business had been greatly in excess of the Bank rate, there would have been less money on deposit, and higher rates would have been charged for banking accommodation. The average returns upon other descriptions of enterprises are given by Mr. Mulhall as follows: On capital in banks, 270 millions, 6.5 per cent.; on mines and ironworks, 315 millions, 5.5 per cent.; on shipping, 193 millions, 5 per cent. The average return on a total capital of 2,433 millions is 4.4 per cent. The comparison of these figures with similar statistics from foreign countries will show that English labour commands the use of capital at lower rates of interest than have as yet been accepted in any other country with the exception of Holland. The advantage which must result to industry of every description cannot be exaggerated. The English landlord is satisfied with 3 per cent. on money advanced for agricultural improvements. The cultivators of the soil in Germany have to pay to the ‘People’s Banks,’ established by Herr Schulze-Delitzsch, rates of interest ranging from 6 to $6\frac{1}{2}$ per cent. The ‘People’s Banks’ were specially established to supply loans to borrowers in humble life at a lower rate than they had heretofore been called upon to pay, and to destroy the monopoly of capitalists in the profits arising from money-lending.

The assessments of the income tax are another indication of the average profits of our industries. The recent fluctuations

in the returns were described by Mr. Gladstone in his Budget Speech on the 4th of April, 1881. Tracing the worth of 1*d.* of the income tax from 1842, when the tax was first laid, he showed that in the period 1852-1877, the produce per penny of the income tax had grown from 810,000*l.* to 1,990,000*l.* Having grown to these figures, the 1*d.* income tax, which does not represent, as he truly said, the general condition of the people, but the condition of the wealthier classes of the people, had gone back for the first time since it was imposed. The 1*d.* of income tax was estimated for 1881-1882 at 1,943,000*l.* The diminished returns of the income tax to which Mr. Gladstone referred are the more remarkable because in certain descriptions of property, such as houses and railways, the onward movement continues in a certain sense automatically. In house property for example, in the 6 years 1876-1882, the annual value increased from 97,000,000*l.* to 121,000,000*l.* It will be evident from these figures how large has been the diminution in the return from other descriptions of business in which conflicts can arise, as between labour and capital, in the appropriation of profits.

At the present time we may take 3 per cent. as the average rate of interest obtainable by the idle investor. Anything beyond that which does not represent insurance to cover extra risk or the reward of labour and skill will be speedily cut down by competition. The effects of competition in bringing down the profits to a minimum are exhibited in a striking manner in those branches of trade which at the present time are in the least prosperous condition. Why is it that the profits on the coal and iron trades have fallen below the returns obtainable in other great branches of industry? It was because extraordinary profits, though realised for a short period, led to a development of production which still remains far in excess of the normal demand. In the two years 1870-1872, the quantity of coal produced in the United Kingdom was increased by no less than 13 millions of tons. In the iron trade the inflation due to similar causes has been of a more recent date. Comparing the years 1879-1882, the production of pig iron was increased from 5,995,000 tons to 8,493,000 tons, while the production of steel rails was increased from 520,000 to 1,236,000 tons. In ship-

ping, the latest instance of over-production, the registered steam tonnage was increased from 2,723,000 tons in 1880 to 3,728,000 tons in 1883. With such a development of the carrying power a reduction of freights to a point which left no remuneration for the shipowner was inevitable. At the present time our docks are filled with vessels laid up, and the principal companies running between Liverpool and the United States are unable to declare a dividend to their shareholders.

A cursory examination of the dividends on the joint stock companies connected with the coal and iron trades will show that in 1884 the maximum returns rarely reached, and still more seldom exceeded, 10 per cent., while the instances were numerous in which no dividend was declared. I happen to be a shareholder in a large coal mine in South Wales. It is under the able management of Sir George Elliott. When the coal famine caused the excessive advance of price, he clearly predicted the disastrous results which must follow. For a long period of years no dividend has been declared. In the meanwhile it has been impossible to stop the working of the mine, and with a view to diminish the cost of working a large expenditure of capital has been called for. We are in a better position than before to take advantage of a favourable turn in the market, but of this there is as yet no prospect. I have been led to refer to a particular instance because it is a striking illustration of that mutually destructive competition, which is certain to follow any abnormal advance beyond the very moderate rate of profit which is usually obtainable in this country.

The state of trade in the United States has for some years exhibited a most striking illustration of the ultimate disastrous results of an exaggerated rate of profit. Protection was originally introduced as a ready means of at once paying off the debt incurred during the Civil War and encouraging the development of domestic manufactures. For this purpose rates of duty ranging from 20 to 200 per cent. were imposed on foreign goods. In the first instance profits were increased in corresponding ratio. These profits unduly stimulated production, while the manufacturers, enervated by the tariff, were incapable of competing in point of price with the foreign manufacturers

in any other market but their own. After a few years the American market became glutted with excessive supplies of goods. So long ago as 1878 Mr. Blane, the Chairman of the Maryland Convention, called attention to the fact that 1,200,000 able-bodied men were out of employment, and that numbers were roaming about the country a terror to the resident population. The state of affairs at the present time in the United States affords evidence of the disastrous results of a protectionist policy. In spite of the advantage afforded by a liberal system of public education, leading to a marvellous development of ingenuity and great efficiency of labour, and with an ample supply of the raw materials, we find that the operatives in the cotton trade of Massachusetts are in a position a great deal worse than that of the operatives of England. They work more hours and harder, the pay in many cases is less, while rents are from two to three times higher, fuel 104 per cent., clothing 70 to 80 per cent. higher, and other things in proportion. The reduction of wages since 1874 is no less than 50 per cent. The dividends on the joint-stock mills may be accepted as an indication of the average return on the capital invested in the cotton industry of the United Kingdom, and we find the dividends range from 12 per cent. to 5 per cent. These returns are not excessive, but they are sufficient. They are far more advantageous in the end, both for capital and labour, than the high profits which have been realised in this country in the iron and coal trades, and in America from the unwise fiscal system adopted under the circumstances already described, but the unwisdom of which, under the pressure of the present hard times, is becoming only too palpable to the industrial community which is suffering so severely from its effects.

While I have shown how the profits realised by employers, under the present organisation of industry, have been brought down by competition, the large accumulations of capital in this country being derived from savings rather than profits, I readily admit that the division of the industrial world into employers with and labourers without wealth does not present a perfect ideal. Under the present system, as Mr. Jevons truly said, every demand for wages and every strike is made in the

dark, and the point to which the master carries resistance is the only real test of the sincerity of his professions. In spite, however, of its obvious disadvantages, the actual constitution of industry exists because it is the easiest and the most natural. To work as a member of a co-operative association demands higher moral qualities than are required, either in employers or workmen, in the more usual industrial relations. Mr. Fawcett, an earnest advocate of co-operative industry, was fully alive to its difficulties. He knew that the joint-stock company could not compete successfully with the individual trader in any business where constant watchfulness and attention to small details are of essential importance.

The co-operative plan is not adapted to trades exposed to the uncertainties inseparable from agriculture. We have seen how spasmodic and fitful are the profits in mining and in the iron manufacture. Even in the textile industries, where the conditions vary less from year to year, a fair average cannot be taken over a period of less than ten years. These are not conditions which are suitable to men accustomed to receive the whole of their earnings in the form of weekly wages.

The necessity for providing capital wherewith to commence operations presents another difficulty which can only be overcome by the establishment of limited liability companies, in which membership is not necessarily limited to the operatives employed. Even in agriculture, the co-operative plan can scarcely be adopted sufficiently widely to tell upon the condition of the farm labourers as a body. Every improvement in agriculture demands a large outlay. Draining, the purchase of stock, the formation of roads, fencing, laying down land to grass, the construction of buildings, all these are operations involving large preliminary expense, with a remote and uncertain return.

Profit sharing is another form of co-operation. In many cases the distribution of a bonus on profits is a wholesome stimulus to exertion, and an act of justice to workmen. Even a percentage on profits is not unattended with difficulty. If the wage-earner were required, as a condition of sharing in the profits of a good year, to accept a reduction of wages in a losing

year, the system would be less acceptable to many than a steady average wage.

Such being the difficulties, practical as well as theoretical, an extensive change in the present industrial system is highly improbable. It is, however, in the highest degree desirable as far as possible to liberate industry from the deadening influence caused by the antagonism of interest between capital and labour. Nothing will so facilitate the development of co-operative industry as the spread of education. It tends to develop those qualities of independence, self-denial, and resolution without which an industrial partnership cannot be carried out with success.

Many examples might be quoted of co-operative work. Some of the earliest are given by Mr. Smiles in his essay on *Thrift*. The fisheries have been largely conducted on this principle for hundreds of years. From the earliest dawn of history the tin-miners of Cornwall have been co-operators. In Paris co-operative industry has long been advocated by social reformers. Several examples have been described by Mr. Sedley Taylor. In the business of house-painting and decoration, the Maison Leclair paid in 1882 wages to the amount of 43,000*l.*, while a bonus of 9,630*l.*, or 22 per cent. on the wages, was distributed amongst 998 participants. Mr. Taylor also quotes numerous instances of the payment of a bonus based on profits by private individuals, such as M. Chaix, the bookseller, and M. Bord, manufacturer of pianofortes. He also gives details of a similar system carried out by the Orleans Railway Company, and by the Vieille Montaigne Zinc Company, of Liège, which gives employment to 6,500 hands.

The list on next page, prepared by the secretary of an association for the purpose of extending the co-operative system in England, shows that, to the limited extent to which this organisation has been carried out in this country, a fair measure of success has been attained.

With these examples before us, with the immense advantages derived from an improved national education, and with the aid of many men of distinguished abilities, who have enlisted in the cause from the purest and most philanthropic

A RETURN, SHOWING THE RESULTS OF TWELVE CO-OPERATIVE PRODUCTIVE SOCIETIES BASED ON THE CO-PARTNERSHIP OF THE WORKERS, FOR 1883.

| | Share Capital | Loan Capital | Reserve Fund | Sales | Net Profit | Profit, How Divided |
|--|---------------|--------------|--------------|---------|------------|---|
| Airedale Worsted Manufacturing Co., Bradford . | £ 2,026 | £ 527 | £ 250 | £ 6,449 | £ 571 | Capital 7½ per cent. and 8½d. in the £, 8½d. to trade and labour. |
| Coventry Watch Manufacturing Co., Coventry . | 1,006 | 56 | 279 | 3,537 | 260 | 1s. 7d. capital, 1s. 8d. labour, 10d. to trade. |
| Co-operative Printing Co., Manchester . . . | 14,751 | 13,017 | 1,477 | 33,262 | 2,764 | 1s. 10½d. capital, 5½d. labour, 2½d. to trade. |
| Eccles Quilt Manufacturing Co., Eccles . . . | 4,766 | 2,362 | 230 | 7,461 | 1,360 | 5 per cent. and 6d. to capital, 6d. to labour. |
| Hebden Bridge Fustian Co., Hebden Bridge . | 16,499 | 2,150 | 946 | 21,272 | 1,980 | 7½ per cent. to capital, 7½d. to labour and trade. |
| Elastic Web Manufacturing Co., Leicester . . | 995 | 100 | — | 4,875 | 254 | 5 per cent. capital. |
| The Hosiery Manufacturing Co., Leicester . . | 1,146 | 544 | 150 | 5,286 | 127 | 7½ per cent. to capital, 4d. trade, 1d. labour. |
| Northamptonshire Productive, Wellingborough . | 350 | 150 | 20 | 2,825 | 307 | 5 per cent. capital, 6s. 8¼d. to labour. |
| Leek Silk Twist Co., Leek | 161 | 450 | 36 | 2,603 | 128 | |
| The Cutlery Manufacturing Co., Sheffield . . | 137 | 189 | — | 493 | 22 | |
| Dunfermline Linen Manufacturing Co., Dunfermline | 778 | 209 | 148 | 1,519 | 69 | Capital 5 per cent. and 6d. in the £, labour 6d., trade 6d. |
| Paisley Manufacturing Co., Paisley | 2,838 | 4,999 | 202 | 17,029 | 983 | Capital 4¾d. in the £, labour 9½d., trade 9½d. |
| | 45,453 | 24,753 | 3,738 | 106,611 | 8,825 | |

Showing a net profit of 19·4 per cent. of the share capital employed. NOTE.—Allowance to labour is on wages paid. Dividend to trade is on amount of purchases. In some cases capital is allowed something over the ordinary interest.

motives, we have reason to hope that, in the future, we shall see many co-operative establishments growing up side by side with those carried on upon the old footing. The latter will always be the more numerous, but the moral effect of a further development of co-operation will be felt over the whole industrial world. I am confident that the effect will be beneficial, and that operatives, as they become acquainted with their difficulties, will be more contented with the wages they earn from their employers.

My allotted space is now exhausted. I have endeavoured to answer the first question submitted to this Conference by laying before you the impartial testimony of the most competent economists. Their opinions lend no support to the vague impression which prevails that the rich are growing richer and the poor poorer than before. Progress—real progress—has been made towards a more satisfactory social order. But we are very far from having attained to an ideal state of perfection. A more even distribution of wealth, a more complete identity of interest between capital and labour, are earnestly to be desired. In so far as that consummation is to be accomplished by the workmen themselves—and they must be active instruments in their own advancement—our hopes for the future rest on co-operative industry. Their efforts must commence with the simplest forms of industrial organisation—those which require the least amount of capital and are most free from the fluctuations so painfully felt in international commerce. In industries which cannot be organised so readily on the co-operative plan, the extended operations of the joint-stock companies will secure the publication of profits and afford opportunities to the workmen for participation, as holders of shares, in the profits of capital. One condition is essential. The workman must save from his present earnings. This condition is easy for the Celt. It is hard for the more vigorous but more open-handed Englishman. The improved returns from savings banks and building societies encourage the hope of a growing capacity for thrift in the Anglo-Saxon race.

Having referred to the workmen, what should be said to the capitalists? Capital is amassed, for the most part, by individual contributions of very modest proportions. But the aggregate

sum is immense, and as it is capable, under wise direction, of conferring the greatest benefits on the community, so by injudicious investments deplorable suffering and misery may be caused. To the excessive accumulation of capital in the hands of individuals there are obvious objections, if not from an economic, at least from a social, point of view; but the accumulation of capital in the aggregate, apart from its distribution among individuals, is essential to the prosperity of labour. The figures quoted in this paper show an average rate of profit on investment in British industries so moderate that if it were materially reduced there would be no inducement to engage in any industrial operations. In the absence of any exceptional profits to cover the risks of business, Government stocks, railway debentures, and mortgages would be the only channels in which savings would be invested. The price of guaranteed securities would advance enormously, and the growth of industry would be arrested with results most disastrous to the wage-earning classes.

At various epochs in our industrial history the public has been possessed with manias for the extension of railways, mills, mines and ironworks, and for loans to bankrupt States. The consequence of alternations such as I have described in the iron trade and shipping are shared by all concerned. The price of labour depends on the demand for it. We have an example in the earnings of the Scotch colliers, which rose from 3s. 9d. a day in 1870 to 9s. 11d. in 1873, and fell to 4s. 8d. in 1876 and 3s. 2d. in 1878. Changes of this violent character entail great misery on the wage-earner.

In the shipbuilding trades the state of affairs on the Clyde in 1883 was thus described in the columns of *Iron*:—In time of ordinary activity about 40,000 men are employed in shipbuilding on the Clyde. The numbers have increased during the past twelve months to over 50,000. Wages have gone up by leaps and bounds. Riveters' wages have increased 50 per cent.; fitters', 25 per cent.; caulkers', over 90 per cent. By the piece-work rates caulkers earn about 2l. 11s. per week; riveters, 4l. 10s. and upwards; fitters, 5l., and in many cases over 7l. a week. At the present time, after an

interval of little more than a year, how different would be the reports we should receive of the condition of the labour market on the Clyde.

The total number of hands employed in shipbuilding has been reduced, according to Mr. Jeans, from 94,700 in 1883 to 59,200 in 1884.

If, as Mr. Greg most truly said, the money squandered in many a barren enterprise had been expended on comfortable dwellings for the labouring poor, what an inestimable boon would have been conferred! The sharp lessons of the past should teach caution, not discouragement. The fact which lies at the root of competition is the insufficiency of work for the workmen who are seeking it. Of all forms of investment at present open to British capital, none could confer a greater benefit than the building of industrial dwellings, and judicious advances for colonial enterprise.

Among the owners of capital the wealthy are the few—so few indeed, that, as an economic force for the regeneration of society, their utmost efforts of self-denial would exercise no appreciable difference: but if we may argue on the one hand, with the late Mr. Bagehot, that it is not a Spartan or ascetic state which most generates saving, and that without the multifarious wants which are called luxury, there would be far less saving than there is, we must admit, on the other hand, that all consumption of luxuries is unproductive. It creates a temporary employment, while it destroys the capital, which, if saved, would have been a permanent addition to the wages fund.

The excesses of self-indulgence have been held up to universal obloquy by the poet-laureate in the opening lines of the Palace of Art:—

I built myself a lordly pleasure house,
 In which at ease for aye to dwell.
 I said unto my soul, 'Make merry and carouse,
 Dear soul! for all is well.'

To the truly wise man a life of ease presents no allurements. He knows how hard it is to avoid giving provocation to envy

and hatred. He is humbled and saddened by the perpetual consciousness of the misery around him. Taste and the sense of duty alike point to simplicity of life. Wealth, if valued at all, will be valued only as a power which it is his duty to use as a steward for the public good.

Profits of Industry and the Workers.

BY LLOYD JONES.

THE question proposed for discussion to-day is important ; it is also difficult. ‘Has the increase of the products of industry within the last hundred years tended most to the benefit of capitalists and employers or to that of the working classes, whether artisans, labourers, or others? and in what relative proportions in any given period?’

Before attempting to answer this question we ought to understand what the industrial state of England was at, or about, the time when our inquiry begins. Nearly all statements in regard to wages, profits, social condition of the workers, wealth of the employers, and general state of the nation are more or less conjectural. Our industrial condition since the middle of last century has been completely revolutionised, not only as regards methods of work, but also as regards the industrial and social condition of the worker ; and though it would be impossible to prove every point in such a statement by elaborately prepared tables of figures, we may, by an examination of the facts of our industrial history as a nation, arrive at fairly reliable conclusions as to how the people of England worked and lived before machinery was so universally applied for productive purposes.

Arkwright took his first patent in 1769. Hargreaves, Crompton, Cartwright, Watt, and Whitney made up a group whose labours completely altered the industrial aspect of the world. Previously to this time the man as a worker was the main reliance, and the increase of our industrial resources was principally sought in a judicious division of labour. From this

time human labour, though still necessary in connexion with machinery, became subordinate to it; and how to develop and make perfect mechanical power became a matter of much more serious consideration, in a business sense, than how to develop and improve the faculties and powers of man in a human sense, or how in any way to improve his condition, industrially and socially, by aid of the newly-acquired power placed in the hands of society.

During what may be called the pre-mechanical times, England, for reasons which need not be further alluded to here, had but a very limited foreign trade, especially in manufactured articles. Our chief source of employment was the land, and our skilled and manufacturing industries were such as were needed to meet the wants of our own people. In this way demand for commodities increased as our population increased. In actual amount at any given time, and in the increase of this over any given period, neither could outrun the other to any very inconvenient length. When the community was supplied and the expense of production defrayed, the profit remaining might be regarded as little more than was necessary to make such extended provision for an increasing trade as might be found necessary. Under such conditions excessive speculative production could not be entered on. The employer, whose business increased, provided for such increase out of the profits his growing trade had given him. Increase was slow: there were no 'leaps and bounds'; there were few panics or crises; there were no colossal fortunes; the manufacturing millionaire was a playful, unrealisable fancy, not a reality known to the officials at the Probate Court.

The working man was also different in position and condition from what he is to-day. For the most part labour operations were carried on in the home of the employer, or in accommodation attached to the house he inhabited. The worker served a seven years' apprenticeship to his employer, who himself had obtained his right to carry on his trade by an apprenticeship served in his youth. The number of apprentices was regulated by the number of journeymen, and thus the new 'hands' found their way to where increase of trade was actually taking place.

The absolute separation of the worker from his employer which prevails at the present day was then impossible. The apprenticeship and the journeymanship that followed, partook somewhat of the family relation; and it is recorded that the friendships and affections of the family were frequently continued in the workshop. In times of brisk trade there was willing activity on the part of the worker, and, when trade was slack, hospitality and help from the employer.

The income of the nation was not known with any certainty then any more than it is now. Sinclair, in his *History of the Public Revenue of the British Empire*,¹ tells us that Henry VIII. had a survey made of the whole kingdom—of the number of inhabitants, their age, professions, wealth, income, and every other important particular. This survey is unfortunately lost, the only thing which it contained at present known being ‘that the income of the whole kingdom was estimated at four millions *per annum*.’ He also gives us in the second part of the same work (page 9) the estimate of the income of the nation, made by Arthur Young about the time our inquiry commences.

| | £ |
|--|-------------|
| Income from land | 63,000,000 |
| From manufactures | 20,000,000 |
| From commerce and the colonial possessions | 17,000,000 |
| | 100,000,000 |

Mulhall states the income of England in 1770 at 122 millions, whilst Pultney’s estimate of the capital of the country at the same period in land, houses, stock of all kinds, materials for manufacture, shipping, cash, money in the funds, in short everything that can be denominated wealth or property, at 1,000 millions.² This may be taken as the industrial condition of England. The employers and artisans worked on a system that had been slowly formed by the daily experience of centuries, and which had the sanction of deeply-rooted custom, and, it may be added, deeply-rooted prejudice. That it answered all the claims of justice need not be asserted here; that there was neither deep suffering nor dangerous discontent

¹ Sinclair, vol. i., p. 115.

² *Ibid.* vol. i., p. 9.

I do not say ; all I desire to make clear is that the employing class and the working class were more on an equality socially than they now are, and that the extremes of poverty and wealth were not so dangerously distant. Dr. Aikin tells us how the ' eminent Manchester manufacturer of the early part of the eighteenth century took his porridge breakfast, surrounded by his sons and daughters, who helped him in his business, as early as six o'clock in the morning, and dipped their spoons in a dish of milk that stood beside the porridge.' And Ratcliffe, in his book entitled *Origin of the New System of Manufacture*, says that, when he was a young man in 1785, any young weaver might from his earnings lay by sufficient to set him up as a manufacturer, and he himself did this. He describes also the condition of the weavers and of their houses a hundred years ago as one of such comfort that it seems at the present time to be incredible. But perhaps the best test of the general condition of the working portion of the population is to be found in the amount spent on the poor annually in poor-rates.

Such expenditure, however it may be called, is a payment to meet requirements on the part of the most necessitous of our workers, which the wages earned are not sufficient to meet ; that is making allowance for exceptional misfortunes, and the self-provoked sufferings of the ill-conducted, which operate at all periods. This fund, as Mr. Senior tells us in his essay on the *English Poor Laws*,¹ averaged for the three years ending 1750, 690,000*l.* odd a year, which is but slightly over the average from 1673, up to that time. I do not urge any fact stated here as proof of a high state of prosperity. I am simply seeking to make plain the actual condition of the people, the amount of comfort they secured, and the misery they avoided by the use they made of the means at their disposal.

I have stated that whether we consider this state of things satisfactory or not, it was the slow growth of time. It had no pretence to scientific initiation ; its worst features were not justified by scientific arguments, based on abstruse principles. It was the child of time with such amendments as experience

¹ *Edinburgh Review*, October 1841.

had succeeded in effecting; and such faults and abuses as self-interest and prejudice were strong enough to preserve.

Of the new industrial life begotten by the inventions of the remarkable men already named, the birth may be said to have been instantaneous, and the growth rapid. An enormous power beyond our means of calculation was placed in our hands. Our knowledge of how to use and direct it had not come with it. It demanded intelligence, wisdom, and humanity to deal with it in its facts and consequences; and these unfortunately were not to be had when wanted. Intelligence to develop its power in the work of production; wisdom to adapt it to the other productive forces of the world, so as to avoid loss or injury by antagonisms of interest; humanity to fit it to satisfy the requirements of society at large, rather than those of a class; and thus to connect it with human labour, so that it should help the worker, without displacing and ruining him, in its first introduction. I wish here to guard against misunderstanding, by saying that I am friendly to the introduction of machinery. I am simply speaking of the method of introducing and working it, so that it may be a blessing to men, and not in any way an injury or a curse.

Machinery as a great productive force became at first the possession of those who had money. The inventors at the very beginning were taken captive by the possessors of capital. Some of them did well in their bondage, others not so well. The masses of the workers were absolutely shut out by their want of means individually. As the Combination Laws were not repealed till 1824, it is clear that nothing could be done by associative efforts to obtain possession of any portion of the new mechanical productive power then rapidly coming into existence. Day by day this increased, and the first effect was to produce more rapidly than the existing markets required. All articles so produced became much cheaper; but habit of use and means of purchase were not sufficient to carry off the greatly augmented production of the country. The first effect, therefore, of the comparatively extensive establishment of mechanical production was to disemploy the hand-worker. His old method of production rapidly fell into

disuse; as, in addition to its clumsiness and dearness, the markets were kept constantly overstocked by the product of the machine. The distress of the country and the increase of the poor had other causes besides the displacement of labour, the American and French wars being amongst the number; but it is a significant fact that over the whole of the time we have been in possession of this marvellous productive power the poor-rates have been continually on the increase. As already stated, a three years' average was, in 1750, under 700,000*l.* In 1785, 1,912,000*l.* was the average over a similar time. When the present century opened, however, this was above 4,000,000*l.* During the machine-breaking period it had gone to above seven millions sterling. In 1820 it was 7,330,256*l.* In 1834, the poor-rates, as stated by Senior, amounted to 7,511,219*l.* By the passing of the Poor Law Amendment Act, they were reduced to 5,110,683*l.* All this time machinery had gone on increasing, and the wealth of the country rapidly growing. Now in 1884, taking into account our enormous mechanical and chemical productive powers, and the wealth produced (so far as we can estimate it), side by side with a poor-rate over 8,000,000*l.* sterling, for England alone, the inquiry of to-day cannot be considered premature or unnecessary.

I believe there is no correct estimate of the mechanical power we possess, counted as manual, or man power. Professor Leone Levi, in his lectures entitled *Work and Pay*, delivered in 1877, tells us that 'to make by hand all the yarn spun in England in one year, by the use of the self-acting mule carrying 1,000 spindles, viz., 1,000 threads at the time, we would require 100,000,000 of men.' We may now say that our mechanical power, including railways and steamships, must be equal at least to 1,000,000,000 of men. What this produces in annual wealth, compared with what was annually produced before our industrial mechanism was invented and applied, nobody can tell.

In what proportions this is divided amongst our several classes, many have attempted to inform us; and though their tables of figures look formidable, it is right to say they are not

accurate, for the simple reason that the requisite facts are too numerous, intricate, and obscure to be ascertained. The amount of our productive power is unknown; the market value of our produce, which is always varying, is never certain. The profit on the vast business done in the multitude of articles we produce is, and most likely ever must be, absolutely unknown. The proportion that goes to the higher and middle classes cannot be discovered. Rent of land may be pretty accurately estimated; profits on trade, wholesale or retail, never. The statistician makes a wild guess, and tables it in figures; but he, in fact, leaves the matter where he found it. Mr. Giffen, I have no doubt, tries to get as near the fact as possible, of the profits on the foreign investments of our monied men, acknowledged and unacknowledged. He says, 'I believe I shall be confirmed by those who know the city, in the opinion that much income comes home from abroad which is not returned to the income tax authorities; those estimates fully warrant me in setting down 40,000,000*l.* as the foreign income omitted from the income tax returns.'¹ This one fact vitiates all argument as to the income of the monied classes. If the income tax collectors can allow such a sum to slip through their fingers, having many better reasons for ferreting out the truth than our statisticians, it is startling to think of what may escape in connexion with the wholesale and retail trade, and the multitude of investments made by our traders and others at home. Going from our manufacturers and traders to our working people, the difficulties of the statistician increase. It is easy enough to venture an estimate of the numbers belonging to that loosely defined class, commonly called the working class; and it is not difficult to say that they earn so much, each individual by the day, the week, or the year. It seems one of the easiest things possible, by addition and subtraction, to settle what the wage earners of a family receive; and by extending the calculation to show what is the gross annual income of the millions who live on the wages they earn. The numbers of the class being stated, and the supposed daily income set down, all the rest follows with admirable clearness. It is usually forgotten

¹ *Essays in Finance*, p. 171.

that there are serious deductions to be made from an income so reckoned on account of sickness and broken time, through misfortunes in the workshop, and a number of minor causes, which, although they do not attract public notice, are yet serious causes of loss and suffering to large numbers of workmen. In addition to these, it may be said that if we set down half the members of any skilled trade as belonging to their trade society, it will be found that every such body has a number of its members out of employment—in times of bad trade, a large number; when trade is good, a smaller number; but always some. The half, not in the union, are usually worse situated, as the men do not help each other so willingly; and, as a rule, are not so steady or so well skilled as the men belonging to the unions.

We have no stated allowance for lost time. This is so important a matter in connection with wages, that the sum deducted ought to be distinctly stated. Mr. Hey, one of the Secretaries of the Moulders' Union, has prepared an elaborate account from the books of his society, and finds the time lost by their members to be 20 per cent. or one-fifth of the whole. This calculation, if carried out over the non-union workers, would be much increased, and this has to be added to depressions of trade like that existing at present; and though generous efforts have usually been made to relieve the sufferings of those out of work, it is not going too far to say that not only savings, but wages, yet unearned, have to be largely used to get rid of the indebtedness incurred at such times. Professor Leone Levi, in a recent article in the *Times*, brings the wages of the workers up to 523 millions sterling; but the calculation of Mr. Hey rubs out over 100 millions of this amount.

Beyond this the improvements and depressions of trade are continually occurring, and these changes and uncertainties have an exceedingly bad effect on the condition of our working population. Mr. W. M. Halbert, in his book called *Economic and Financial Science*, points out, that there is what he denominates a cycle of seasons in trade, that bring round periodical revolutions known as financial crises. Each decade, in its parallel years, presents commercial phases almost alike if

not identical; and he shows by undeniable facts that this is the case. He gives the years and states the principal causes. In 1826, the culminating cause lay in foreign loans and mining speculation; 1837 and 1838, the great American panic; 1847, great railway panic and Irish potato rot; 1857, financial panic, including Western Scottish Bank failure; 1866, Overend Gurney as one fact in the general disaster. In these five periods there were sixty years out of which there were six years of financial crises and financial depression; fifteen years of great depression and general stagnation; six years of slow recovery from depression and stagnation; six years of decided recovery from commercial depression; eighteen years of prosperous and remunerative commercial enterprise; and eleven years of over-trading and commercial reaction.

If the description given by Mr. Halbert is kept in mind, it will be seen that over thirty of these years mean a strongly depressed, or a declining, and a recovering trade. In these three conditions the working-men of the country are very unfavourably situated. The employer's chief resource, to curtail expense of production, at such times lies in a curtailment of the wages of labour. He has little or no influence over the price of raw material, expenses of management must go on, if the organisation of his establishment is to be kept up; whilst wages form so large a proportion of the cost of the manufactured article, that they become naturally and immediately a direct object of attack. I do not mean that such an attack is the result of pre-arrangement, nor that the employers as a body always approve of it. Among the employers of England there are many who, with insufficient capital, are eager to avoid defeat, and to fight their way onward in the competitive battle on which they have entered. As a rule, these commence the attack on wages. It may be their position at the bankers compels them to realise, and they sell at reduced prices for this purpose, and having made the necessary sacrifice in the market, they seek to recoup themselves by reductions of wages. However few these may be, the better disposed, and better situated, must follow, for the purpose of meeting their competitions in the markets; and hence a war between capital and labour, I think I may say not

serviceable to the interests of the employers, but most decidedly adverse to the interests of the workers.

In this way, when the periodical decline sets in, a severe pressure on wages commences, which continues till the worst part of the depression has passed. During this time the trades union is fighting to prevent a too rapid descent. When a turn for the better takes place, the trades unionist fights to regain the ground he has lost, and this being an uphill fight is also a severe one; and assuming that he gets back to his old position, in amount of wages, all that has been lost, in both the retreat and advance, is gone for ever; as there are no means of recovering the cost of a strike or a lock-out, whichever way it may terminate. It has been pointed out many times that the working-men of the country might avoid this loss by a policy of non-resistance. True—but as this, all the world over, means a policy of ruin to those who adopt it, the working-men of the country, so long as they have in them the power to unite, are not likely to adopt it. No men know better than the trades unionists of the country, how much loss there is attending strikes. Mr. Henry Ashworth, who published in 1854 a full account of the Preston strike of the previous year, informs us that the cost of this local strike in loss of wages was 250,000*l.*, and in contributions spent in support of the people on strike 97,000*l.*, in the whole, 347,000*l.* If we add to this the privations and sufferings in the homes of the people on strike, it will be easily understood with what terrible force such a calamity must come home to the minds of working-men; and yet, singular to say, such circumstances, when they occur, instead of acting as deterrents, have precisely the opposite effect. Those who condemn strikes should understand that until some better plan can be discovered for protecting the interests of the workers, strikes, however objectionable, or however heavy in the losses they bring, must continue.

It is right to say here that working-men generally are not favourable to strikes; that, on the contrary, the leaders of trade societies exert themselves to prevent them, and would be very glad to see an end of them, could any alternative be found that on the whole would answer their purpose as well.

Arbitration has been tried, but it does not appear to have grown into favour. It is slow, expensive, and at the same time very uncertain in its results. The sufficiency and correctness of the data are not always satisfactory; besides which, foregone conclusions in the minds of those who hear the evidence and give judgment, whether they operate or not, are frequently suspected as being in operation.

Regulation of wages by sliding scale has been for some time in operation in the coal trade, but it would be premature at present to pronounce any judgment either in its favour or against it. The arrangement in the coal trade is that wages shall rise and fall in given proportion to rise and fall of price in the coal market. It is not, however, in accordance with economic doctrine to regulate the price of one commodity by that of another; and as labour and its market may at any time be different in its conditions from coal and the market in which it is sold, it does not appear reasonable that the price of the one should regulate the price of the other. An over-supply in the coal is now becoming something like a regular condition, in consequence of an enormously increased capacity of out-put. This may be regarded as meaning a permanent lowness of price, and by consequence a permanent lowness of wages, even though the demand in the labour market should be favourable to an advance of wages. In addition, it may be said that as the men by their union may be presumed to have some power over the price of labour, and never can have any in regard to the price of coal, it appears as if something was risked by the miners in making such an arrangement. In such a matter as this, however, it is dangerous to be too positive in urging an opinion strongly in opposition to any the men may themselves favour. I imagine that as a rule the men are the best judges, and if their experience of a sliding scale disposes them in its favour, the best way is to try the experiment fully, before any positive judgment is pronounced.

Of one thing we may be certain. Up to the present time the considerations named here inevitably point to the necessity for very heavy deductions from whatever sum may be stated as the nominal wages of the workers of the country. The estimate

can never be carried beyond a guess. Uncertainty of employment, difference in wages, losses by strike, difference in skill, and many other considerations, place the wage-receiver far lower, as a partaker in the income of the country, than the statisticians place him.

Much stress has been laid on the amount of money saved by the working people, as in savings banks, building societies, co-operative and other societies. Such investments are proofs of providence, but not so much of increased means. Money in a savings bank is not a permanent acquirement, and when such deposits are balanced with withdrawals this becomes plain enough. Money paid into building societies to a large extent belongs to other classes; whilst the money saved in the co-operative societies of the kingdom is simply a saving on expenditure, the bulk of which is drawn out at intervals to meet the household requirements of the members. Indeed, were the whole amount which is not required to be held within call to meet contingent demands summed up, it would be found not more than sufficient to cover the indebtedness of the millions of Englishmen who live on the daily wages they earn. So that in fact the income of the working people may be regarded as little, if any, more than sufficient to meet their wants, one year with another.

In saying this I speak of the whole working class, commonly so called, but I wish to add that this class is made up of many classes. The highest skilled of these are comparatively well paid. They live in moderate comfort, and having the inclination, have got the means to save. Below these there are gradations running into pauperism. When in full work they can with difficulty pay their way, but at their best times they have a crippling indebtedness to pay off, and as these times alternate they can never be truly regarded as in a condition to save. At the lowest and worst it is no exaggeration to say that comfort in life is impossible, and hope of independence by their own exertions a possibility so remote as to make despair and recklessness a hideous inheritance from generation to generation. I have examined a number of the figures given by Edward Young in his elaborate work, *Labour in Europe and America*,

and while I admit the industry displayed by Mr. Young to be highly creditable to him, I cannot admit the accuracy of his figures on this subject. Professor Leone Levi's figures appear to me of a like kind, estimated, not ascertained. 'I have,' says Professor Leone Levi, 'estimated upon a very good basis, though necessarily in a general manner, that the 12,000,000 persons at work annually earn about 418,000,000*l.*' A general estimate, however laboriously made, does not meet the requirements of the case; and when we are afterwards told that the income of the middle and upper classes united amounts only to 349,000,000*l.*, with something added for that portion under 100*l.* not assessed to the tax, we are puzzled how to reconcile it with general estimates made by other experts. Two years after Professor Leone Levi's book containing the foregoing statement came out, Mr. Dudley Baxter published his work on the *Taxation of the United Kingdom*. He no doubt, also estimating on a 'good basis,' states the income of the 'manual labour class' at 325,000,000*l.*, or 93,000,000*l.* less than Professor Leone Levi. He also gives the income of the upper and middle classes as 490,000,000*l.* This is 141,000,000*l.* more than Professor Leone Levi's estimate; not allowing for the difference pointed out in consequence of the excluded 100*l.* not taxable. If, however, we turn to Mr. Mulhall's *Dictionary of Statistics*, we find on page 246, that the middle and upper classes possessed an income for 1883 of 818,000,000*l.*, a sum of 328,000,000*l.* more than Mr. Dudley Baxter and 469,000,000*l.* more than Professor Leone Levi. Of course allowance must be made for difference in time between the two first named gentlemen and Mr. Mulhall; but the discrepancy between all three seems difficult to explain. Professor Kolb, in referring to these returns, remarks, I think very truly, 'that all such estimates are as a matter of course very uncertain.'

There is nothing more variable than the net income of working-men. The wage paid, the time worked, the numbers to be supported, vary so much and so continually, that how much passes into the houses of the working-men to meet, per head, the requirements of their families cannot be got at with

anything approaching to certainty. Personally I have acted as arbitrator in a large number of important cases between the working-men and their employers, more particularly in the coal trade ; and I have found, without any apparent inclination to deceive, startling differences between the wages stated by the men as those received, and by the employers as those paid. It has struck me in thinking over this matter, that the men estimate their wages more as the average of their receipts over the year with all drawbacks of broken time and the lower as well as the higher wages counted in ; whilst the employers confine their calculations more to the higher earnings of the best workers, and take them after the manner of the statisticians, as though they were earned and received during the whole working period of the year. Besides, I have noticed, in looking over Mr. Young's large volume, that the information it contains comes from men whose positions are more in alliance with capital than with labour. I cast no doubt on them on this account ; only my experience tells me that the unconscious leanings of position in such an inquiry as this count for much more than impartial outsiders are likely to imagine.

Before leaving this part of my subject I ought to notice the attempts so persistently made of late years to blame the working people themselves as the chief authors of their own miseries. I have read Dr. Smiles' work on *Thrift* and other books of the same kind, written probably with good intention, but, in fact, very misleading ; and, I am disposed to think, rather mischievous in tendency. In one entitled *Protection and Bad Times*, published in 1879, I find this passage :—' The coal-miner indeed will do all in his power to raise wages, but when he spends half of his week's earnings in champagne, he will never own that he is himself lowering his wages by one half.' To me this reads like an extravagance of statement meant to be regarded as ludicrous. I have had an intimate personal connexion with the working people of England for over half a century ; my intercourse with them has been constant and familiar. Their follies and extravagances are not unknown to me ; but I am bound to say that, making fair allow-

ance for them as for the members of the other classes of society, it has always struck me that their virtues in self-denying economies far outweigh their follies and extravagances. I have also had special acquaintance with the miners of the kingdom for at least twenty years. I moved a good deal among them when wages were at the highest and their extravagance, I presume, at the worst; when, as is stated, they were spending their earnings on champagne, ducks and green peas out of season, and treating their bull-dogs to the best cuts from legs of mutton; and I feel bound to say that I never saw any of these things, nor anything that indicated to me their existence even in the slightest degree. I have read of them in books and newspapers, and have heard the miners talk about them and laugh at them, but up to the present moment I have been compelled to regard them as simply untruthful. I am prepared to say that the poverty of the people is mainly due to the lowness of their wages, and the uncertainty of their employment. When I say this I am not thinking of a model population free from every desire to touch what they cannot afford; and who gather to themselves, and carefully hoard the smallest trifle they can lay their hands on, remembering that—

‘ A penny saved is twopence clear,
A pin a day, a groat a year.’

I speak of the people as we have them and as we must deal with them; the human creatures we meet in our streets, and who swarm in our mines, factories, and workshops; whose wages are not sufficient to keep decent lives in their bodies; who are everywhere discontented, not because others tell them they ought to be so, but because they feel it impossible to be content with painfully inequitable conditions of industrial and social life. What is said here does not apply to our better paid classes of artisans, but to the multitudes who swarm in all our large towns; whose employment is uncertain, and whose wages are low; and who in their feeblest and worst condition required in England, in the year 1883, no less a sum, as supplementary to wages, than 8,353,292*l.*, as against the sum of 690,000*l.*, stated by Mr. Senior as the average in England of the three

years ending 1750. About the general condition of large numbers of the workers of Great Britain, whatever supposititious figures may say, there can be no question. Nor can there be any doubt of the enormously increased wealth of the middle and higher classes. Mulhall tells us that in 1806 the income of Great Britain was 170,000,000*l.*; while in 1882 it was 1,247,000,000*l.* Kolb, quoting Leone Levi, states that our national property at the commencement of the present century was 1,800,000,000*l.*, whilst in 1860 it had increased to 6,000,000,000*l.* When, however, Mr. Giffen published his *Essays in Finance*, in 1880, he computed the national wealth at 8,500,000,000*l.*

The position is this :—The productive power of the country is in the hands of a small class. The distributive business is also in the hands of a class, and the profits realised in production and distribution belong to these. Wages can scarcely be regarded as more than an element of cost in production. The money carried into the houses of working-men to feed, clothe, and shelter the present and rising generations of workers is for the wants of the day, and adds little annually to the increasing capital of the country. It is really difficult to ask seriously whether the increase of the products of industry within the last hundred years has tended most to the benefit of capitalists and employers, or to the benefit of the working classes. Why lose time in calculating the pennies spent by working-men for food, drink, clothing, and rent, instead of going to the accumulated property of the country, and telling us how much of it belongs to the working classes as compared with what belongs to the middle and upper classes?—their possessions in land and houses, in railways and our merchant navy, in British and Foreign loans and stocks; in mines, factories, iron-works, and other tangible forms of national wealth. If the workers have been participators in any fair degree in the growth of the country's wealth, this would be a better way to get at the fact than through assumed detail in receipts and expenditure utterly impossible of proof.¹

¹ The *Spectator*, in 1873 and in 1883, published two lists of all British fortunes exceeding a quarter of a million personalty, which had been trans-

In the books and papers of statisticians I find a very remarkable improvement in the income and condition of the working classes. On a large general subject like this, including such varied multiplicity of detail (on which, among statisticians, there is no common agreement, beyond what there might be on any general question among any number of people), the safest way is to listen to the almost universal complaints made as to the poverty and suffering to be seen everywhere around us; to note what our parliamentary inquiries on such questions as the dwellings of the poor bring out, to note also the great increase in the annual amount of our poor rates; to comprehend, if possible, the large amount of money given annually in private charity, and also that spent every year in support of benevolent institutions; to consider, in addition, the deep discontent of the masses of our working people heard on every side; and then ask ourselves whether the existence of such a state of things is not as startling as it is dangerous, in connexion with a growth of productive power in the country almost incomprehensible by its vastness. Whatever the situation, as regards its anomalies and dangers, it is certain that the action of trade societies cannot fundamentally alter it. They can, at certain times, insist on adjustments more in accordance with equity than if all resistance to the action of employers were removed. The competitions of the markets, stimulated by our enormous and ever increasing power of supply in every kind of commodity, and the competitions stimulated among the workers by hunger during panics and crises, and strivings by employing competitors for cheapness, could not fail to produce a most disastrous condition of things for all who live by their labour. It would be a mistake in the general recognition of the evils of

ferred by death within the preceding twenty years. The result was as follows:—

| | |
|--|-----|
| Persons above a million sterling | 23 |
| Persons above half a million | 109 |
| Persons above quarter of a million | 356 |

If persons possessed of over a hundred thousand sterling had been added, these numbers would have been vastly increased. Those who died worth even a hundred thousand before the middle of last century, could they be discovered, would not be many.

the prevailing system of competitive wages to suppose that the working people had no conception of remedy but what lies in the action of the trades unions of the country. The co-operators, as a rule, belong to the working class, and in the co-operative body there are large numbers of trades unionists. The co-operative organisation includes about two and a half millions of the most thoughtful and provident of the British people. They have removed the disadvantages attending the ordinary distributive system by a plan of their own; and this in a limited way is now placing in their hands something over two millions sterling a year as profit. They have made this profit because they have found the way to use their own capital, made fruitful by their own consumption, for the carrying on of their own distributive business. They entertain like views in reference to productive industry. They have, so far as they have gone, got possession of the implements of distribution; and as they find their own capital, the profits of their business belong to them. They have carried this idea to a certain extent into the work of production, and with such results that they become day by day more convinced that, as time passes and experience increases, and a knowledge of the best principle on which to struggle for success becomes developed among the general body of their members, success will be found as practicable in production as in distribution.

In concluding this paper, however, it may be said that our working people are not progressing in comfort and independence commensurately with the increase of the nation's productive powers, nor with its actual growth of wealth. No calculating power possessed by the statisticians will convince them of this. Their trades unions will therefore continue to be maintained and their co-operative experimentings will go forward. The attitude of these two great bodies is not one of defiance and aggression, of violence and spoliation. They are men of peace seeking by their own efforts legally to bring a higher equity into the business of life. Some idea of the growth of wealth in the country may be formed by noting the increase of the nation's capitalised wealth during the present century, and the income annually derived from it,—fully confirmed by the evidences of

wealth to be seen on all hands, as well as by the records of the Probate Court. The poverty in the country, as felt by the poorest of our working people, needs no proof; and it is our duty to recognise and remedy it, rather than to disguise or deny it. We should frankly acknowledge that as a nation we have not succeeded in distributing equitably the wealth that has come to us so abundantly, and that instead of seeking honestly to correct so dangerous a failure, we have sought to justify the blunders of ignorance by scientific pretences, and by charging the sufferers with causing their own miseries by wanton and reckless extravagance. It ought to be a matter of congratulation to those who possess and exercise power in these islands to know that the two great influencing organisations of workers—the trades unionists and co-operators—instead of being discontented conspirators, are acting openly in the light of day; the one to peaceably secure some degree of equitable treatment for labour; the other to so alter the relation of capital and labour as to permanently secure justice for all interests, and as a consequence the future peace and well-being of the country.

*Rates of Wages paid by the Dundee Harbour Trustees
during the last Twenty-five years.*

BY DAVID CUNNINGHAM, M.Inst.C.E., F.S.S.

THE Table on following page showing the rates of wages paid to the workmen at Dundee Harbour from 1859 to 1884, indicates some interesting facts with reference to the condition of workmen in this part of the country during the last twenty-five years.

The rates of wages stated may be regarded as a fair index of the local rates of wages in Dundee generally, the former being closely regulated by the latter.

The rates are well authenticated, having been extracted from the wages books of the Dundee Harbour Trust for the months of June, July, and August of each specified year.

From this table it may be observed that the wages of workmen generally have increased from 60 to 80 per cent. in

TABLE SHOWING THE RATES OF WAGES PAID TO WORKMEN EMPLOYED AT DUNDEE HARBOUR,

FROM 1859 TO 1884.

Being averaged from the Pay-Bills of June, July, and August of each year.

| Years | Joiners | | | Carpenters | | | Blacksmiths | | | Masons | | | Causeway layers | | | Labourers | | |
|-------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|------------|-----------------------|-----------------|------------|-----------------------|---------------|------------|-----------------------|
| | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week |
| 1859 | 4 | 2 | 3 1/2 | 16 | 4 | 37 | 18 | 1 | 4 1/2 | 21 | 2 | 16 | 1 | 2 1/2 | 13 | 20 | 2 1/2 | 230 |
| 1861 | 4 1/2 | 4 | 4 1/2 | 19 | 11 | 4 1/2 | 20 | 2 | 4 1/2 | 23 | 26 | 17 | 2 | 3 1/2 | 14 | 56 | 3 1/2 | 230 |
| 1863 | 4 1/2 | 4 | 4 1/2 | 22 | 4 | 4 1/2 | 21 | 2 | 5 1/2 | 25 | 26 | 17 | 2 | 3 1/2 | 14 | 56 | 3 1/2 | 230 |
| 1865 | 4 1/2 | 6 | 4 1/2 | 22 | 8 | 4 1/2 | 22 | 2 | 6 | 28 | 7 | 16 | 1 | 3 1/2 | 16 | 100 | 3 1/2 | 230 |
| 1867 | 4 1/2 | 6 | 4 1/2 | 22 | 7 | 4 1/2 | 23 | 2 | 6 3/4 | 30 | 4 | 20 | 1 | 3 1/2 | 16 | 36 | 3 1/2 | 230 |
| 1869 | 4 1/2 | 4 | 4 1/2 | 20 | 3 | 5 | 21 | 3 | 6 | 25 | 6 | 20 | 1 | 3 1/2 | 16 | 4 | 3 1/2 | 230 |
| 1871 | 4 1/2 | 5 | 5 | 21 | 3 | 5 | 21 | 3 | 6 | 25 | 6 | 20 | 1 | 3 1/2 | 16 | 4 | 3 1/2 | 230 |
| 1873 | 4 1/2 | 5 | 6 1/2 | 27 | 1 | 6 1/2 | 27 | 1 | 7 | 29 | 9 | 22 | — | 4 1/2 | 17 | 6 | 4 1/2 | 230 |
| 1875 | 7 1/2 | 5 | 6 1/2 | 29 | 2 | 6 1/2 | 27 | 1 | 9 | 38 | 3 | 34 | — | 5 | 22 | 2 | 5 | 102 |
| 1877 | 7 1/2 | 6 | 6 1/2 | 29 | 11 | 6 1/2 | 28 | 3 | 9 | 38 | 6 | 34 | 0 | 5 | 23 | 4 | 5 | 102 |
| 1879 | 6 1/2 | 8 | 6 1/2 | 27 | 7 | 6 | 27 | 0 | 6 1/2 | 29 | 3 | 27 | 8 | 4 1/2 | 21 | 0 | 4 1/2 | 142 |
| 1881 | 6 1/2 | 4 | 6 1/2 | 29 | 3 | 6 1/2 | 29 | 3 | 7 1/2 | 27 | 7 | 29 | 9 | 4 1/2 | 21 | 0 | 4 1/2 | 142 |
| 1883 | 7 | 5 | 7 1/2 | 33 | 2 | 7 1/2 | 30 | 11 | 7 1/2 | 31 | 10 1/2 | 31 | 10 1/2 | 4 1/2 | 21 | 0 | 4 1/2 | 142 |
| 1884 | 6 1/2 | 6 | 7 | 31 | 6 | 6 1/2 | 29 | 10 | 7 1/2 | 31 | 10 1/2 | 31 | 10 1/2 | 4 1/2 | 21 | 0 | 4 1/2 | 110 |

| Years | Sawyers | | | Painters | | | Riveters | | | Fitters | | | Plumbers | | | Horses | | | Metal breakers | | |
|-------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|------------|-----------------------|---------------|---------------|-------------------------|--------------------|--------------------|--|
| | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of men | Rate per man per week | Rate per hour | No. of horses | Rate per horse per week | Rate per cube yard | Calculated average | |
| 1859 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1861 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1863 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1865 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1867 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1869 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1871 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1873 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1875 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1877 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1879 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| 1881 | 6 1/2 | 2 | 32 | 1 | 2 | 31 | 6 | 3 | 28 | 8 | 1 | 28 | 0 | 1 | 11 1/2 | 63 | 8 | 2 | 0 | 6.85 | |
| 1883 | 6 1/2 | 2 | 30 | 4 1/2 | 3 | 32 | 9 | 2 | 7 1/2 | 32 | 1 | 32 | 8 | 1 | 11 1/2 | 54 | 10 | 2 | 0 | 6.82 | |
| 1884 | 6 1/2 | 2 | 30 | 4 1/2 | 4 | 31 | 6 | 2 | 6 1/2 | 30 | 11 | 32 | 8 | 1 | 11 1/2 | 54 | 10 | 2 | 0 | 6.95 | |

twenty-five years. But to understand whether this increase in the rates of wages has been real or only nominal (as might be the case if the value of the precious metals had become depreciated), it is imperative to consider whether the necessaries of life have increased or diminished in price.

On inquiry we find that the prices of the higher class commodities, such as butcher's meat and eggs, appear to have risen from 10 to 40 per cent. The prices of the more immediate necessaries of life, such as bread and butter, appear now to average when taken together the same as they were in 1859, while tea, sugar, soap, treacle, syrup, and marmalade, average now only half the prices of 1859. Rents appear to have increased about 50 per cent., but a large proportion of this increase is doubtless due to improved accommodation, and to the introduction of water.

The rates of tradesmen generally are seen from the table to have increased by 80 per cent., and the rates of labourers by 60 per cent., over the rates twenty-five years ago; and within this period (from 1875 to 1877) masons, joiners, and labourers were paid better wages than at present, and therefore found their condition more rapidly improved than even these percentages indicate.

These extraordinary rates of increase are certainly not attributable in any material degree to an increased cost of living, for the principal necessaries of life, as represented by bread, are no dearer now than they were twenty-five years ago. Superior articles of consumption, such as eggs and meat of home growth, have indeed risen considerably in price, but their place is now largely occupied by imported food in tins, of which upwards of one million pounds weight are consumed in Dundee every year. Taking this into account, and the fact that the class of home meat chiefly consumed by the working classes has risen 15 per cent. in price only, it is probable that the average price of meat as consumed by the working classes is no greater now than at the commencement of the period. And as we have seen a large miscellaneous group of articles have greatly fallen in price, it may fairly be assumed that the necessaries of life are no dearer now than they were twenty-five years ago.

To what, then, is such an unprecedented rise in the wages of labour attributable? We answer, it must be owing largely to the greater relative demand for the services of the workman; that is to say, that the number of men required to perform certain operations must have diminished relatively to the work to be done. But the number of men in the country has, notwithstanding emigration, increased considerably. The introduction of labour-saving machines would have the effect of rendering the work performed by such increased workmen still more prolific, so that, in ordinary course, the work done would be much more than before. To cause, then, such an exceptional demand for labour, and a resulting rise in the rates of wages of so extraordinary a character, there must have existed a very extraordinary increase in demand for the commodities or articles produced.

This unprecedented demand could, however, have been rendered possible only by the enormously increased facilities of communication which have taken place between all parts of the commercial world within the last twenty-five years, whereby the market of Great Britain has been extended largely and with great rapidity.

Great Britain has, in most important aspects, occupied during this period a position of vantage over almost every other country in the world. She possessed large stocks of coal and iron, and these have been drawn upon without stint. The most recent calculation which has been made of the time in which our stock of coal will last at the present annually increasing rate of consumption—namely, that by Mr. Sydney Lupton—shows that it would become exhausted to a depth of 4,000 feet in 106 years from the present time. This theoretical calculation will serve very well to give us some idea of how our exceptionally improving times have arisen. At no part of the country are we far removed from the coast, and by means of the sea, and by the adoption of Free Trade, we have not been very far removed from any other country; for the introduction of steam and of large vessels has practically shortened our former ocean-distances immensely. We have, therefore, with perhaps the exception of Belgium, been alone in reaping the firstfruits

of modern international communications. We have been able to sell our manufactures to every country which would take them, at a much cheaper rate than such countries could make them for themselves. A demand quite unprecedented has thus grown upon us, and all who have been connected with our industrial employments have reaped the benefits.

It is impossible that this rate of rapid improvement can last, for as the raw materials become, as they must do in a few generations, somewhat more difficult to realise, so must the relative advantages of our manufacturing industry gradually disappear. The ability to purchase foreign food will then diminish, and the soil of Great Britain will be unable to maintain a population constantly increasing in numbers as at present; and it may even be that ultimately the pressure may become so great as to necessitate an abnormal emigration, so as thereby to reduce the population below its maximum.

APPENDIX.

NOTE AS TO WAGES IN THE PRINTING TRADE, DUNDEE, FOR 52 YEARS, FROM 1833 TO 1884.

| | Per week | | Per week |
|-------------------------------|-------------------|-------------------|----------|
| From 1833 to 1838, Newspapers | 16s. | —Book and Jobbing | 16s. |
| „ 1838 to 1854, „ | 20s. | — „ | 20s. |
| „ 1854 to 1859, „ | 22s. | — „ | 22s. |
| „ 1859 to 1870, „ | 25s. 0d. to 35s.— | „ | 22s. |
| „ 1870 to 1872, „ | 25s. 0d. to 35s.— | „ | 24s. |
| „ 1872 to 1876, „ | 25s. 0d. to 40s.— | „ | 25s. |
| „ 1876 to 1884, „ | 32s. 6d. to 42s.— | „ | 26s. |

Newspapers are now almost entirely 'set up' by piece-work, but although the figures given represent what is termed 'stab.' wages, they may be accepted as the earnings of piece-workers as well.

In the Jobbing Department, 26s. is given as the minimum wage; only a very limited number are now paid at that rate. The wages generally paid vary from 26s. to 35s. for journeymen.

A very considerable reduction in the number of working hours per week has taken place during the period from 1833 to 1884.

From 1833 to 1859 the working hours per week were *not less* than 60; from 1859 to 1872, 57 hours; from 1872 till the present time the hours have been 51 per week. This statement applies only to Dundee.

NOTE AS TO THE HOURS PER WEEK WROUGHT BY THE WORKMEN
EMPLOYED BY THE DUNDEE HARBOUR TRUSTEES.

The hours per week of both tradesmen and labourers up to and including the year 1867 were 57. From 1869 to and including 1877, tradesmen wrought 51 hours per week ; labourers 56 hours per week.

Masons and causeway layers wrought 54 hours per week till 1879, and 51 hours thereafter. Other tradesmen have wrought up to the present time 54 hours per week, and labourers 56 hours.

NOTE AS TO THE SAVINGS OF THE WORKING CLASSES IN DUNDEE.

The statistics of the Dundee Savings Bank show that the total deposits at the end of 1876 were 447,080*l.*, and at the end of 1884 they were 739,483*l.*, showing an increase of 290,000*l.* in eight years ; and I have been informed by the accountant and cashier of that bank that on an average eleven-twelfths of the depositors belong to the working classes.

NOTE AS TO THE POPULATION OF DUNDEE.

| | |
|---------------------------------|------------|
| In 1821 the population numbered | 30,575. |
| „ 1831 | „ 45,355. |
| „ 1841 | „ 62,794. |
| „ 1851 | „ 78,931. |
| „ 1861 | „ 91,664. |
| „ 1871 | „ 120,724. |
| „ 1881 | „ 142,454. |

In 1884 the population is reckoned to number about five times as many persons as in 1821, and this extraordinary increase must be largely due to the relatively high rates of wages offered to workpeople engaged in the town, whereby they have been drafted in vast numbers from the country. *See also additional note on p. 514.*

Labour and its Reward.

BY J. G. HUTCHINSON.

THAT there has never been any age when labour, the work of the world, has not engaged the attention of statesmen and philosophers in most civilised nations, is made plentifully apparent by the aphorisms, or mottoes, handed down to us from by-gone times. *Labor omnia vincit.* Labour conquers everything. If labour conquers everything, what must be said of

the source of all labour, the labourer? Is he invincible? Has he never been conquered? Has he always, or ever, been able to bring the world to his feet? Has he never known the thrall of slavery? He would be a bold man who ventured to answer the first of these questions in the affirmative, or the last in the negative. *Labor ipse voluptas*. Labour itself is pleasure. Labour is sacred, &c., &c. Even in our own times, in this eminently practical age, we often hear and read of the dignity of labour; indeed, many worthy people who have never done a hard day's work in their lives, are particularly fond of using this formula. But work, the day after day spent wearily tugging at the oar, the routine work involved in our minute systems of division of labour, is, taken and considered apart from its reward, certainly far more irksome than dignified.

In a consideration of the labour question at the present time, it will be well to disabuse our minds of a great deal of the sentiment that appertains to it. We must cease to remember that there was ever a time when an employer lived among his workpeople; when he took a kindly interest in their welfare; and that, when declining years incapacitated them from labour, his helping hand would smooth their downward path. We cannot forget, if we would, that we live in an age when a man is looked upon as a mere machine, from which the greatest possible amount of work is to be exacted; with this difference in favour of the machine, that some regard will be paid to its wearing out, while with the man this is not so; he falls out of the ranks of life, and instantly his place is filled by another; another, whose form and features are, as likely as not, equally well known to his employer. Although we deplore the seeming antagonism, or conflict of interests, between employer and employed, we do not think it would be possible under the prevailing system of aggregation of labour in large factories and workshops—and, of course, in no other way can we maintain our place in the manufactures of the world—to keep up the kindly relations that were so marked a feature of the domestic system. In instituting an inquiry into the specific question as to whether 'the increase of the products of industry within the last hundred years has tended most to the benefit of

capitalists and employers, or to that of the working-classes, whether artisans, labourers, or others, and in what relative proportion in any given period?' it will be necessary, in order to keep within the prescribed limit, to narrow the question down somewhat. We shall not, therefore, do more than glance briefly at the social advantages the workman of to-day has at his command, that were entirely beyond the reach of his compeers in the earlier years of the present century. We have now the means placed in our hands for securing a cheap and efficient education for our children. We have classes and lectures for the instruction and edification of ourselves, and the adult members of our families. We have the free libraries and museums common to most of our large towns. We have, in a large measure, better dwellings, situated in more airy, better drained, and better lighted streets. And we have, as a *ne plus ultra* to these consummate advantages, higher rents, higher rates, and a considerably less amount of personal freedom than our fathers fifty years ago could boast of. This curtailment of our individual liberty seems to us to be a necessary concomitant of our advanced civilisation. Man does not now live for himself alone. Man's communion with man has fostered and developed a regard for each other's interests to this degree, that his individuality is, almost unconsciously, lost in the common good. Nor shall we examine in detail, although it is a radical part of our inquiry, the arguments as to whether the introduction of machinery into the various industries have, or have not, been an unmitigated good. We are of opinion that the benefits derived therefrom by the whole community have far outweighed any hardship or inconvenience its introduction has inflicted on any particular trade. Without the spinning-frame and powerloom it would have been practically impossible for our textile trades to have made the immense increase in their productive power that the present century has witnessed. Without the invention of the labour-saving and labour-supplementing machinery used in the conversion of iron and steel, our industries in the metal trades could never have attained their present gigantic proportions. As to whether the universal use of machinery has most benefited the capitalist and employer or

the working classes, is a moot point; but in so far as the advantages have been reciprocal, we think neither side have much fault to find. As far as we can apportion the benefits, the employer who was first in the field with his invention—whether it was the product of his own ingenuity or not is immaterial—would reap his reward in an extended market for his manufactures if he sold them, as he could, at a rather lower rate, or otherwise, if at the market price, in an increased profit. But as soon as the use of the machine became general, his monopoly with its enhanced profit would disappear, and the invention become merged in the common good to benefit the consumer. We are in nowise inclined to believe that the introduction of machinery has, to any great extent, militated against the interests of the working man. On the contrary, he has been enabled—with some exceptions that prove the rule—to maintain almost as good, and in some special instances, a better rate of wages than under the old system of hand labour; while the prices of the products of his industry have been lowered to such a degree as to bring them more readily within the purchasing power of himself and family. There is one phase of this question that is, to my mind, disappointing in the extreme. Instead of man's labour being made easier by the co-operation of the machine, his life has become more intense, and, in many instances, the man has been supplanted altogether by what should have been at most but his helpmate. Still, this is more the effect of our system of unlimited competition than an innate desire to crush man out of existence. The introduction of machinery as a means of increasing and cheapening production must certainly be acknowledged as the prime mover in the great industrial revolution that has been developed within the last hundred years. And although there have been cases of hardship in some trades—notably among the hand-loom weavers—the greater good has justified the infliction of the lesser evil, and the advent of the Age of Steam may be regarded as the inauguration of the greatest and most stable period of national prosperity we, here in England, have ever known.

As an illustration of the beneficial effects following the

application of improved machinery to cotton-spinning, I append the table below, from Porter's *Progress of the Nation*, sec. 2, chap. ii., p. 230.

| Years | Work turned off by One Spinner Per Week | | Wages Per Week | | | Hours of Work per Week | Prices from Greenwich Hospital Records | | Quantities which a Week's Net Earnings would Purchase | |
|-------|---|------|----------------------|----------------------|----------------------|------------------------|--|---------------------|---|---------------|
| | Lbs. | Nos. | Gross | Piecers | Net | | Flour per Sack | Flesh per lb. | Lbs. of Flour | Lbs. of Flesh |
| 1804 | 12 | 180 | <i>s. d.</i> 60 0 | <i>s. d.</i> 27 6 | <i>s. d.</i> 32 6 | 74 | <i>s. d.</i> 83 0 | <i>d.</i> 6 to 7 | 117 | 62½ |
| " | 9 | 200 | 67 6 | 31 0 | 36 6 | 74 | 83 0 | 6 to 7 | 124 | 73 |
| 1814 | 18 | 180 | 72 0 | 27 6 | 44 6 | 74 | 70 6 | 8 | 175 | 67 |
| " | 13½ | 200 | 90 0 | 30 0 | 60 0 | 74 | 70 6 | 8 | 239 | 90 |
| 1833 | 22½ | 180 | 54 8 | 21 0 | 33 8 | 69 | 45 0 | 6 | 210 | 67 |
| " | 19 | 200 | 65 3 | 22 6 | 42 9 | 69 | 45 0 | 6 | 267 | 85 |

The sack of flour is taken at 280 lbs.

The above is the result of an average of several men's work at the different periods.

As a comparison I give the average earnings of cotton-spinners at Manchester in 1876, from Bevan's *Industrial Classes and Industrial Statistics*.

| Year | Wages | | Flour per Sack | | Flesh per Lb. | Quantities which a Week's Net Earnings would Purchase | |
|------|-----------|-----------|----------------|-----------|---------------|---|---------------|
| | <i>s.</i> | <i>d.</i> | <i>s.</i> | <i>d.</i> | <i>d.</i> | Lbs. of Flour | Lbs. of Flesh |
| 1876 | 28 | 4 | 43 | 4 | 10 | 182 | 34 |

From this it is evident that not only were a spinner's wages in 1833 higher than in 1876, but the purchasing power of his earnings was considerably in his favour also. We do not deem it necessary to multiply examples, but we will give below some additional evidence to show that the wages given for 1833 were not the highest for that time.

Mr. Cowell, in his explanatory preface to the *Tables relative to Cotton and Silk Mills in the Lancashire District*, gives the following example of the effect of increasing the size of the mules, as regards the cost of the yarn, and the earnings of the spinner.

In the year 1833, in two fine spinning-mills at Manchester, while

I was in the town, a spinner could produce sixteen pounds of yarn, of the fineness of 200 hanks to the pound, from mules of the productive fertility of 300 to 324, working them sixty-nine hours. These very mules were being replaced by others of double power while I was in Manchester. Let us examine the effect on the spinner's earnings. In the early part of last year he produced sixteen pounds of yarn of No. 200 from mules of the power of 300 to 324 spindles. Consulting the list of prices, I perceive that in May he was paid 3*s.* 6*d.* a pound. This gives 54*s.* for his gross receipts, out of which he had to pay (I will put the amount high) 13*s.* for assistants. This leaves him with 41*s.* earnings. His mules have their productive fertility doubled. They are converted into mules of the power of 648. He is now paid 2*s.* 5*d.* a pound instead of 3*s.* 6*d.* But he produces thirty-two pounds of yarn of the fineness of 200 hanks to the pound in sixty-nine hours. His gross receipts are immediately raised to 77*s.* 4*d.* I will now admit that he requires five assistants to help him, and averaging their cost at 5*s.* a piece, their labour will cost him 25*s.*, and to avoid all cavil, I will add 2*s.* extra. Then, deducting 27*s.* from his gross earnings, there remains 50*s.* 4*d.* for his net wages for sixty-nine hours' work instead of 41*s.*, an increase of more than 20 per cent., while the cost of the yarn is reduced 13*d.* per pound.¹ See Appendix, p. 61.

If we will but contrast his earnings in 1876—taking into account the productive power of the mule of the present day—we shall be better satisfied that the cotton-spinner in 1833 was considerably in advance of his fellow-worker at the present period. We have been enabled, from various sources, to compile the following comparisons of wages in different industries. Our authorities are Porter's *Progress of the Nation*, Mr. Jellinger Symonds' *Arts and Artisans at Home and Abroad*, published in 1839, J. Wade's *History of the Middle and Working Classes*, *The Greenwich Hospital Records*, and Bevan's *Industrial Classes and Industrial Statistics*.

As will be seen from table on next page,² the difference in the rates of wages is nothing like so marked as we have been given

¹ Porter's *Progress of the Nation*, sec. 2, ch. ii., pp. 234-5.

² Since compiling this table of wages, there has been published in the *Leeds Mercury*, for January 2, 1885, the following advertisement:—'Stonemasons wanted.—Apply, J. Braymore, Cross Mill Street, Leeds. Wages 22*s.* per week.' This advertisement, as a sign of the times, needs no comment from me. But surely this benefactor of his species deserves to be immortalised.

COMPARISONS OF WAGES.

| | 1832 | 1871 | 1876 |
|--------------------------------|----------------------------------|--------------|--------------|
| | <i>s. d.</i> | <i>s. d.</i> | <i>s. d.</i> |
| Cotton-spinners, Porter . . | 38 2 | — | Bevan 28 4 |
| „ weavers, Symonds . . | 14 6 | — | — |
| Woollen-spinners „ . . | 21 0 | Bevan 19 0 | „ 28 0 |
| „ weavers „ . . | 14 0 | „ 13 0 | „ 17 0 |
| „ dressers, Wade . . | 21 0 | „ 20 10 | „ 23 6 |
| Flax, men, Porter | 16 7 ³ / ₄ | „ 19 9 | — |
| „ women „ | 8 2 ³ / ₄ | „ 13 0 | — |
| Coal-miners, Symonds (per day) | 3 6 | „ 4 9 | „ 5 2 |
| Ironfounders „ | 29 0 | „ 34 0 | — |
| Machine-makers „ | 28 0 | „ 30 0 | — |
| Carpenters, Greenwich . . . | 32 6 | — | 39 8 |
| „ country average | 22 6 | — | 27 0 |
| Masons, Greenwich | 31 6 | — | 39 8 |
| „ country average | 24 9 | — | 29 0 |
| Bricklayers, Greenwich . . . | 28 6 | — | — |
| „ country average | 24 0 | — | 29 0 |

to understand they were. And it seems to me the Golden Age of labour within the last hundred years—taking into consideration the rates of wages, the continuity of employment, and the cost of the various necessaries of life—must be placed between the years 1832 and 1840; not only with regard to the money amount of wages and their purchasing power, but also with reference to the fact that a man was a man at that time, and had not become degraded to the office of a mere machine, to be turned off or on at the unreasoning caprice of an employer.¹

But we are not so much concerned with a retrospective review and comparison of the workman's status fifty years ago with that of our own time, as we are with his present position and future prospects. Whatever has been his condition in past times, and there will always be differences of opinion so long

¹ In talking over this question with an old mason who has followed his trade for over fifty years, we were told that when the Leeds and Thirsk Railway was being made, mason's wages were 5s. per day, that at that time prime cuts of beef and mutton were but from 4½d. to 5½d. per lb., that fresh eggs were to be had from the farmers at the rate of 36 for a shilling, that house rents were not half the amount they are now, that coals were no more than 10s. per ton delivered, and that generally life, if somewhat rough, was certainly blest with more rude plenty than obtains at the present day. The general verdict we have received from our old workmen friends has been that although wages were less fifty years since than now, the people, taken in the mass, were better off than they are at the present time.

as there are two sides to the question, all must admit that there is room for improvement now in the social, and still more in the material, position of the labouring classes.

Let us then endeavour to answer the question, What are the causes that induce the recurring periods of depression in trade and consequent scarcity of employment, that have become so marked a feature of our industrial history during the last few years? First and foremost, we must place the inordinate greed and unscrupulousness of our capitalists and employers in the mad race for wealth. In the inflated time following the Franco-German war, the means of production in Great Britain were increased to a degree that nothing but the certainty of continuing to be the workshop of the world would have justified. Capital that, in the normal state of things, would have been applied to legitimate undertakings, was, in the vain hope of realising not far from cent. per cent., eagerly invested in what too often proved to be bogus enterprises, promoted by needy and unconscionable speculators. Money was wasted, credit was impaired, and in many instances financial ruin followed, to the detriment of sober and legitimate enterprise. True, the workman was not slow in his demand for a share in the unusual prosperity. And we are of opinion that it is in a measure to the large advance in the wages of certain classes of labour obtained at this period, engendering as they did increased expenditure in baneful luxuries, we may ascribe some portion of the distress at present existing. But we can hardly blame the uneducated workman if he 'lost his head' at this juncture, when we remember his betters were little, if any, wiser in their day and generation. If mutual recrimination were likely to do any good, the British workman and his employer ought to be considerably benefited by the lecturing they have given each other on this point, as well as that they have undergone from every grade of social opinion during the last decade.

The reasons generally given, and accepted as truisms, for depressions in trade are over production, foreign competition, and adverse seasons. Let us briefly examine these excuses for what we consider, at least as far as the first reason is concerned, has no need or business to exist. Over-production, indeed! We

are extremely anxious to know what article of natural or artificial production it is of which we have an overplus? It cannot be wheat, for surely if that was so we should have no hungry, dinnerless children, half-famished for want of bread; no homes stripped of their scant furniture, to win a short respite from the dread wolf of want; no half-stifled cries of distress from starving thousands, whose only hope and want is honest work and wages. It cannot be that we have too much clothing, for we are satisfied, if we will but look around, on every hand we shall find that there is ample need for all we have in store. Nor can we think that, for all the thousand pairs of shoes we have in excess of the demand, there are no feet the owners whereof would not be glad to wear them. We confess that this cry of over production is wholly beyond our comprehension. We cannot conceive that there can be over production in any commodity until each and all, rich and poor, have had their wants supplied. Nor is it that we have not in our midst the wherewithal to purchase these necessaries. For there is not only a plethora of all natural and manufactured commodities, but an ever-increasing amount—a positive glut—of wealth literally going a-begging, while honest working-men and women are actually perishing from lack of the common necessaries of life. Why is it, then, that in the face of this superabundance of the good things of this world we have depressions in trade, with their corresponding reverses in the condition of the working classes? We are of opinion the real reason is because the workman does not get an adequate or even a fair share of the profits of his labour. We submit that it is not possible for a man, whose every endeavour is to keep straight with the world, to contribute his share towards the general well-being, when the means at his command will barely admit of a sufficiency of food for himself and family. Even under the most favourable circumstances the average workman has, so to speak, his wages mortgaged, if not before they are earned, at least before they come into his possession. It may be said this arises from want of forethought, from want of economy: we unhesitatingly declare, in the vast majority of cases, it has its source in want of means. In support of our assertion that the workman is not paid a fair

share of the proceeds of his industry, we give the following calculation of Mr. Giffen's: 'An approximate estimate has been made of the total savings of the working classes. Their amount has been carefully calculated from the statistics of Building Societies, Savings Banks, Co-operative Societies, Trades Unions, Friendly Societies, and Industrial and Provident Societies, to be 130,000,000*l.* All this is small compared with the whole capital of the country, which in 1875 was estimated at 8,500,000,000*l.* at least, with an annual increase of 235,000,000*l.*, *this latter sum far exceeding the total savings of the working classes.*'¹

We have no wish to pose as prophets, but we are satisfied that the old doctrine that a man should rest content in the position in which it has pleased God to place him, must, if it has not already, go to the wall. The old political economy that decrees that labour is a commodity that must, equally with the products of labour, be ruled by supply and demand; the old political economy that ordains that the wages of labour will, in the normal order of things, be determined by the terms on which the labourer will consent to produce, and will constantly tend to a bare level of subsistence—this doctrine, that has been a palliative to suave the consciences of our capitalists and employers, must be abandoned as being out of date, and not in accordance with our new religion of humanity. Man's labour as the support of his life cannot, in common fairness, be placed on a par with a bale of cloth. If the man were as inert as the bale of cloth, if he had no requirements, if he did not need to live, to be clothed and housed, then their positions might be identical. But so long as the man has human aspirations, so long as he is able to discriminate between right and wrong, it is not only unjust, it is cruel, to place his labour as a commodity in juxtaposition with that of an inanimate article, to be ruled by the inexorable law of supply and demand. Besides, man in his present position does not stand on equal ground with the capitalist in bargaining for employment; he cannot, in the great majority of cases, 'take it or leave it,' as he is told to do. No; the work must be his at one price or another, and

¹ Giffen's *Essays on Finance*, pp. 173-5. The italics are mine

often, too often, the man who has the giant's power uses it as a giant.

With regard to foreign competition, we have long been of opinion that we could not continue supplying our foreign competitors with machines to make machinery, for the production of all manner of goods, and still go on supplying them with our finished products as well. We cannot find fault with our engineers and machinists for their action in this matter. For, if we have had some importations of goods that we might have made for ourselves, we should remember that we in return have supplied our foreign customers with goods that, had they been selfishly inclined, they would have manufactured for themselves. And further, we are of opinion that, unless we can find a market where the buyers are composed wholly of the capitalist class and its dependents—that is, a community who are not producers in any sense of the word, but only consumers—this bugbear of foreign competition must be considered as a constant factor in our trade calculations, which it will be well to look upon and combat in a spirit of generous emulation rather than of a jealous over-reaching rivalry in trade.

Adverse seasons have certainly during the course of the last few years dealt a heavy blow at our agricultural interests, and through them at our home trade—a trade which is admitted to be our surest bulwark against a deficiency of labour, a trade that would, if the profits of our industries were more justly distributed, go a long way towards providing our teeming millions with the work and wages for want of which they starve.

There only remains now for us to pass in rapid review the different remedies that have been proposed for the social and material amelioration of the condition of the poorer classes. Mr. George, whose book, *Progress and Poverty*, has done more than aught besides towards making this a burning question, would confiscate—utterly unconscious of doing wrong—the whole land of the country, and place it under State ownership and management. The leading assumption that permeates Mr. George's book, and which he has laboured with intense earnestness to demonstrate and substantiate, is that the in-

stitution of private property in land is the immediate cause of the unequal distribution of wealth and privilege, and obviously of the consequent vice and misery, which is at once the greatest curse and menace of our nineteenth century civilisation. To remedy this injustice he boldly and unhesitatingly declares we must make land common property. This wholesale appropriation he would make without compensation or regard to interests or rights, however acquired by the present landowners. He argues that we must give to man the unrestricted liberty to develop to its fullest power the natural resources of the land—that is, that the land shall be so cultivated as to contribute its full quota to the requirements of the whole community. His particular belief is, give but man these opportunities—and he has been deprived of them by the institution of private property in land—and the poverty that pervades all societies that have attained a superior degree of civilisation will disappear, that want or the fear of want will be extirpated, that the Promised Land flowing with milk and honey will be within measurable distance of being reached, and that the beatification of man's condition will cease to be an *ignis fatuus*, ever alluring philosophers and philanthropists into impracticable fields of thought, but an established fact. But whatever possibilities there may be in Mr. George's scheme of land nationalisation, we cannot forget that it is based on injustice. Nor does the fact of a robbery being committed eight centuries ago palliate in our eyes the perpetration of further wrong-doing; for, however wrong the institution of private property in land may have been in its original inception, it would, after the lapse of centuries of undisputed possession, be a 'bold, bare, enormous wrong' to deprive the vast majority of the present holders of their vested or purchased interests in the land, whether they are the humble possessors of a single house plot, or patriarchal lords who own the broad acres of a shire. Mr. Wallace's plan is less open to objection, inasmuch as he recognises the right of the landowners to compensation. But any scheme of land nationalisation seems to me to depend upon the issue of this question for its success. Will the State be likely to make a better or more considerate landlord than the present owners? We

submit that it would not, and for the following reasons : unless the State has it in its power to abolish competition rents, and this in justice to the very numerous class who are not tillers of the soil or holders of ground rents it should not have, where would be the advantage in paying a competition rent to the State over that of paying it to a private owner ? Then, again, supposing the State should fix upon what would be considered a fair rent, who is to decide from among the host of applicants which competitor shall have the land at this fixed value ? It seems to me that any scheme of land nationalisation is open to this fatal objection ; we should but throw wide open the door to a gigantic and most pernicious system of favouritism and patronage, if not of underhand bribery. Besides, all our landlords are not bad alike, and under the present system there has been occasional aid rendered, not in the pauperising form of a dole given on the rent day, but real help towards making the most of the productive power of the land which the State, as a landlord, in common fairness to the community at large, must have withheld. With reference to co-operative production, we cannot see any valid reason why our co-operative distributive societies with their large capitals should be unable to carry out productive co-operation to success. Yet such would seem to be the case ; for among many concerns started under their auspices, most of them—at least in this part of the country—have come to grief. We understand the reason generally given for this failure is that co-operative societies outside do not do business with and support their efforts. This would seem to indicate that there is a screw loose somewhere ; for unless co-operative, or any other form of industrial production, can compete with private enterprise in the open market, there is nothing so certain but that in the end it must succumb to this superior force. Industrial partnership is another form of amalgamation of the interests of capital and labour that, we are grieved to chronicle, has not been crowned with the success it deserves. The fact is the workman has not become educated so far as to see that under this form of production his and his employer's interests are identical. Profit-sharing without loss-sharing would seem to imply a greater regard for an employer's

interests than most employés can be credited with. Emigration, 'the policy of despair,' we cannot consider a true remedy; for, in the majority of cases, the people who of their own free will expatriate themselves are the people we should keep at home—men with brains, energy, and often some little capital, who, had they a fair field for their qualifications, would never quit their native land.

In drawing our observations towards a close, we will again urge on capitalists and employers to give their workpeople a more commensurate share in the profits of their labour. That they can do this, and still retain a living profit, we will try to illustrate from our own business. We will take the case of an employer in the building trade. We will suppose him to be in a large way of business, employing a hundred hands. He has his workshop fitted up with the most modern appliances for cheapening production, both in the saving of material and labour. He pays, or should pay, his workmen the standard wages of their calling, being neither more grasping nor avaricious than his fellows, but known among men as a straightforward and honourable man. Well, you may ask, what fault have we to find with this employer as a man or as a citizen? We must answer none whatever. But let us look a little further. As we have said, he pays the regular wages of his business; the workman's money is always ready and paid at the end of the week. He does not grind, or urge forward as with a goad, the worker. But he does appropriate to himself that for which he has not laboured in any sense of the word, that which is not his even by the political economist's law of interest. He bargains with his workmen for a standard payment of, we will say, $7\frac{1}{2}d.$ per hour, but the price he will charge and receive from the people for whom he has work in hand will be $9d.$ per hour, so that for every workman in his employ—the working hours being fifty per week—he will receive a profit on their labour of $6s. 3d.$ per week, or a total of $37l. 10s.$ Out of this sum we will suppose he has to pay a manager $3l.$ per week, $2l. 10s.$ for a foreman, $1l. 5s.$ for a time and storekeeper, and $2l.$ for a cashier. These men will manage the business in all its detail, from buying the raw

material to getting in the money for the finished work, so that this payment of 8*l.* 15*s.* for management and superintendence is absolutely the only drawback from the sum he will be paid for the use of his money, except rent, rates, and taxes, and an allowance for depreciation in his machinery and buildings. If we deduct the 8*l.* 15*s.* from the 37*l.* 10*s.* we have 28*l.* 15*s.* left ; from this, as a very liberal estimate, we will allow the 8*l.* 15*s.* for rent, &c., leaving 20*l.* per week as interest for the capital invested in the business. In addition to this sum the capitalist will have a percentage of profit on the raw material, the timber, stone, &c., used in his business, which would help considerably to pay a fair interest on his capital, if it did not suffice entirely. As we have shown, this capitalist or employer, who like the lilies of the field 'toils not, neither does he spin,' has an income of 1,000*l.* per year from his business, or more correctly for the use of his capital. We ask, in the name of our common humanity, if it is not possible to pay better wages to workmen in such an instance as this? And this is, be it remembered, no exceptional case, requiring a large amount of capital for the working of the business, as moneys are paid at stated conditions of progress of the work, so that the capital may be turned over several times in the course of the year. We confess that we have not much hope of so great a change in the moral nature of our employers as a fairer division of profits would render necessary; but, if it does not come in our generation, what about our children, if this gospel of appropriation is to continue? We are educating them—and this education must go on, technical as well as scholastic—to occupy higher spheres of usefulness, mentally and socially, than we ourselves are fitted for. What is to be the outcome of it all? Is it to be a life of discontent, a continual struggle for a bare subsistence, with the wolf of want for ever prowling around their door—a wearying, wasting life of toil and care, with little more inspiriting to look forward to than the workhouse as its goal? Far better will it be for us, as a nation, if we had 'a mill-stone tied about our neck, and were cast into the depths of the sea,' than that this should be so! For we ought not to forget this truism, that to keep men poor, degraded, and contented, we must keep them

brutish, sotted, and ignorant; and that, moreover, as surely as education—intellectual development—is stimulated and temperance principles spread over the land, so surely are we paving the way for a further grand march in our civilisation, and, as we would fondly hope and believe, in our material progression. Then let us recognise and deal honestly, faithfully, and manfully with this great power, for good or evil, that we are raising in our midst. - For, whatever else the future may have in store for us, we may depend upon this, that the time is coming, and may not be far distant, when Jack will have found out he is as good as his master, that he is made of the same flesh and blood and in the same image, and with a lineage in as direct a line from the common Father of us all.

APPENDIX.

We are enabled through the courtesy of Miss A. Amy Bulley, of Manchester, to supplement our list of wages in the cotton manufacture, with the following complete and reliable statement of the actual earnings, compiled from the wages book, of cotton operatives employed in an Oldham spinning and weaving mill, in 1884 :—

AVERAGE EARNINGS FOR 56½ HOURS OF MILL HANDS, ENGAGED IN THE MANUFACTURE OF COTTON.

| | | <i>Spinning.</i> | | | |
|-------------------------------------|-------------|------------------|----|--|---|
| | | £ | s. | d. | Remarks. |
| Cotton mixer | | 1 | 2 | 0 | } Men employed in the card and scutching rooms, paid weekly wages, <i>not</i> piece work. |
| " | | 1 | 0 | 0 | |
| Fly gatherer | | 17 | 0 | 0 | |
| Lap tenter | | 1 | 2 | 0 | |
| Card-room jobbers | | 1 | 3 | 0 | |
| Card-room hands (females) | | 16 0 | | | Piece work. |
| Spinner or Minder | | 1 14 0 | | | Piece work. |
| Big piecer | | 15 | 0 | } Young men and boys employed by the Minder and paid by him. | |
| Middle piecer | | 11 | 6 | | |
| Little piecer | | 8 | 2 | | |
| Half-timers (under 13 years of age) | | 3 | 1 | | |
| Twiner (man) | | 1 14 6 | | | Piece work. |
| Big piecer for Twiner | | 14 | 0 | } Young women employed by Twiner. | |
| Little " | " | 9 | 0 | | |
| Winders | | 14 | 6 | } Females. Piece work. | |
| Warpers | | 19 | 0 | | |

| | | Weaving. | | | Remarks. |
|-----------------------------|---------------------|----------|----|-----|--|
| | | £ | s. | d. | |
| Weavers— | 2 narrow looms | | 12 | 9 | Young girls. |
| " | 3 " | | 18 | 0 | Women. |
| " | 4 " | | 1 | 3 0 | Men. |
| " | 2 wide looms (16/8) | | 14 | 0 | Women, all weavers paid piece work. |
| " | 2 " (18/8) | | 16 | 0 | |
| Loom jobbers or overlookers | | 2 | 3 | 0 | Men paid a per cent- age on the weavers' earnings. |

The *average* earnings of a woman employed at weaving will be about 17*s.* per week. Young girls, who have just learned their trade, are allowed only *two* looms, and will earn 13*s.* to 14*s.* per week. Our weaving is entirely confined to cotton velvets; very few men are employed except as overlookers.

In the Glossop district (Derbyshire), weavers weaving printing cloth have four looms each, and earn 18*s.* per week.

Mr. F. HARRISON stated that the Committee deeply regretted that Mr. Robert Giffen's official duties had prevented him from completing a paper which he was preparing on the subject now before the Conference. The paper Mr. Giffen had in hand would go back to a further period, and would complete his well-known essay on Earnings and Wages, already published for the Statistical Society. Mr. Giffen had expressed his sincere hopes for the success of the Conference, which only the pressure of official duties prevented him from attending.

DISCUSSION.

Mr. BREVITT (Ironfounders) said that the increase of the products of industry had on the whole tended to the benefit of the working classes, he would not dispute, nor would he attempt to prove it; though no doubt others would do both. But he ventured to assert that the non-workers had, up to the present hour, managed to use the worker and his work as the means and instruments by which they had seized and appropriated most of the good things of life, securing a vastly preponderating share of the beneficial results of the modern development of all kinds of industrial productions, and the control of the mechanical agencies which alone had made such development possible. If the present inquiry were rigidly confined to two types of our social system, namely, to the capitalist who employs labour, and to the employé or wage receiver, then it would be a mere farce, and a shirking of some of the most important issues involved. The real form of the question ought to be, Do the people, the

toilers, the millions who, from youth to old age, are engaged in labour obtain anything like an equitable share of the products of their toil, or of those material comforts and social enjoyments which render life tolerable, a blessing and not a curse? To such a question there could, in his opinion, be but one answer—an emphatic negative. If by the word ‘capitalist’ he might be allowed to understand any individual who, by some means, has accumulated wealth, or property productive of wealth, or who holds some office or dignity, from which he derives wealth, then he fearlessly affirmed that capitalists had grasped, in a most selfish and unscrupulous manner, nearly everything they could lay their hands on: the land, and all the good things on its surface, and even the fishes which abound in its rivers and streams. Nearly all the country was claimed by such men; from royalty, with its numerous palaces, large estates, parks, deer forests, and immense revenues—all derived, directly or indirectly, from industry, down to the rapacious lease-granting ground-landlord who, in many cases, drew immense wealth from property paid for by others, and placed on land, which either he or his ancestors obtained by very questionable means. Throughout the land, from north to south, what did we find? That wealth, or capital, had the best of it everywhere. We saw magnificent palaces, baronial halls, castles, lordly mansions, and beautiful villas, situated in the most desirable spots, surrounded by all that is lovely, furnished with every luxury, replete with every comfort. And who owned them all? Men who did no work, men who scorned the worker, men who gloried in the fact that neither they nor their ancestors ever worked, and who would reckon themselves degraded and punished if they had to work. And where should we find the workers? Mostly in the slums of cities and towns, or else in miserable cottages poorly and scantily furnished, living in the midst of squalor, where culture was impossible and decency difficult. There, with their families, they subsisted, or existed on a pittance just sufficient to preserve life, ‘as in a cell, for their tyrant’s use to dwell.’ Then, look at the Established Church, with its lordly prelates and proud dignitaries, living in palaces and fine houses, and enjoying princely incomes; look at its parsons, with their goodly benefices, ever hand in hand with princes, lords, and squires, in upholding hoary and venerable iniquities, and in keeping down very low the labourer upon whose toil they fatten. How nicely these disciples of One who said, ‘Blessed are the poor,’ manage to get possession of far more than a fair or honest share in the distribution of wealth, and of those productions of industry, in the originating of which they had no part, and to which they never contributed anything! Those legalised iniquities, the tithes,

were ultimately extracted from toil; for he who paid the impost, whether landlord, tenant-farmer, or house-owner, would seek to indemnify himself by extorting increased payments from those who held property under him, and by decreasing the wages of those who worked for him. So we got, as the result, increased rents and diminished wages, in order that men who neither toil nor spin, might be well fed, clad, and housed, although they would not work. Then, we had the army, the fighting class, with its field-m Marshals, generals, colonels, and others, extorting millions sterling from the taxpayers, and sapping the industry of the country. These, he classed as capitalists, non-producers, who got hold of, and lived luxuriously upon, money wrested from the earnings and savings of the toilers. These royal pensioners, scions of the aristocracy, and hangers-on of the nobility—men who, perhaps, more than any others, despise and depreciate labour, managed to squeeze out of the industry which they scorned a large amount of the wealth which would, if devoted to peaceful pursuits and social improvements, render the condition of the people immeasurably better than what it now was, and would alter the face of the whole country. And they, of the rank and file, the hired bravos who had, perhaps, entered the army because they could not procure the means of living otherwise—these got none of the honours or the emoluments, but their stipend, like that of labour, was plenty of work and scant reward.

Mr. F. G. P. NEISON rose to a point of order. Mr. Brevitt, whose name was not down for a paper, was reading from manuscript. This practice was not in accordance with the rule regulating discussion.

The CHAIRMAN: The speaker is not personally to blame for reading his remarks, because Mr. Brevitt asked me, as he ascended the platform, whether he might refer to his notes; and I said he might. But, of course, the meeting must understand that Mr. Brevitt is not one of those who are reading papers for discussion, and that he is only supposed to be taking part in debate. Therefore, perhaps, it might be desirable that he should not read, as he is doing, from a written paper. I would, however, take this opportunity of asking Mr. Brevitt to avoid making anything that may look like attacks upon particular classes. I did not like to stop him in the first of these allusions, but there were a few remarks fell from him which would appear to be of a character calculated to give pain to various services, to members of a particular Church, and to those who are employed in different departments by the State. I think it is the feeling of the Conference that observations of that nature had better be avoided. I should, of course, stop from the chair anything like

distinctly political allusions, but it would be also desirable that we should avoid, as far as possible, allusions which may be painful to members of particular classes as individuals. (Hear, hear.)

Mr. BREVITT, in resuming, obtained the chairman's permission to read the remainder of his remarks. He said: A man in the ranks of labour would, by his industry and thrift, save a few pounds; he lived among his comrades in the towns where his work was; he had a comfortable home without extravagance or luxury; and was a good specimen of the artisan; determined to speculate with his money, he became in a small way an employer, he succeeded, accumulated more money, in fact, became a capitalist. In the majority of instances, capital, and the power attending it, demoralised the man; he then began to aim, not at a moderate competency, but to become rich, to get as much wealth as he could; he left his former comrades behind, and got into the suburbs; his comfortable home became distasteful to him; he must needs have luxury, servants, a horse and carriage; his appetite grew by what it fed on; moral and political justice were ignored; probably he ground as much work as he could out of those whom he employed; and, while they must toil on through the years and live amidst the smoke and squalor of cities, he got into the outskirts, among the fields, and into the purer air. If still successful, he aped the manners of those who were higher in the social scale; he was now a gentleman, and looked down with something like contempt on the artisan and labourer, whose toil had made him rich. In due time he died and left his wealth to his children. All this time his life and conduct had been strictly honest and legal. But had this man who, by means of the sweat and toil of others, had converted his few pounds into thousands, his comparatively humble home into a luxurious one, and a life of toil into one of ease and idleness—had he received no more, and appropriated no more of the products of industry than justice, equity, humanity, and the law of love sanctioned? If a Christian, had he practised those precepts of self-denial, self-sacrifice, and devotion to humanity, which the Founder of his religion inculcated? Who would dare to say he had? Had not his whole life been selfish, unchristian, and self-seeking? This self-love, this lust after wealth, luxury, pomp, parade, power, and indolence; this gospel of hedonism, which so crushed, stifled, and nullified the gospel of labour, simplicity, self-denial, and love of humanity, was more than anything else accountable for the gross and monstrous inequality, injustice, and inhumanity which pervaded and permeated the whole social and political life of Europe and America. He, for one, hailed with hope and delight the efforts of the men who would restore the land to the people, and

abolish the proud and arrogant caste who would hold the soil for their own exclusive use and emolument. He hoped that in the not very distant future, when Britain's sons and daughters were enfranchised and educated, we should see a noble peasant proprietary built up and gaining an honourable livelihood by cultivating the land. Let all assist and further the efforts of the men who, by trades unions, co-operation, profit-sharing, temperance societies, and other methods, would equalise, or, at any rate, more justly apportion the distribution of wealth. Let them cordially greet all such efforts; they were all needed, and all deserved hearty support.

Mr. B. JONES (Co-operative Wholesale Society) said he would try to keep to the chairman's ruling, and to say nothing, if he could possibly help it, which might be painful to the feelings of the members of any class; but, if he should unfortunately transgress, he hoped it would be put down to the lack of education to which most working men at the present time were subject. It was, however, only fair to say that they were so much accustomed to have hard words said to them in their daily employment that the meaning and force of strong language seemed to be lost sight of; whereas men unaccustomed to hard words were apt to feel them with greater severity than workingmen who were so accustomed to language of that kind. What Mr. Lloyd Jones had said was quite true, that it was very difficult, if not impossible, to accumulate the data necessary to arrive at an exact estimate of the amount received by the different classes, of the benefits which the whole country had received, during the last 100 years from improved inventions and so on. But they could arrive at an estimate sufficiently near to enable them to decide, with something like unanimity, the question as to which class had received the greatest benefits from the machinery and the inventions of the last fifty years or 100 years. Mr. Giffen, in his *Progress of the Working Classes*, had pointed out that the income assessed for taxation amounted to 600,000,000*l.* a year. The same gentleman, in another work, had, he believed, estimated the income of the wealthy classes, or those subject to the income tax, which escaped taxation, as equal to another 25 per cent., which would bring the total to 750,000,000*l.* If to that were added the immense personal property, the immense wealth which paid no rates or taxes whatever, though it ought to do as much as other personal property, no doubt the grand total would be between 800,000,000*l.* and 900,000,000*l.* a year, representing the annual income of the wealthy or income-tax paying population. Looking on the other side, the estimate of income of the working classes was usually given at between 400,000,000*l.* and 500,000,000*l.*; but anyone capable of adding two and two together would, on

examining these figures, see the utter fallacy buried beneath them. It must also be remembered that the larger income is divided among a few thousands, while the smaller income is divided among millions. Mr. Giffen had quoted, as a substantial proof of the correctness of his estimate, the wages of seamen in the year 1850, and their wages at the present time. He had himself had the curiosity to look at the Blue-book ; of course, working men were not supposed to look into such things, but they now were getting into the habit of doing so. And what did he find there? He found that Mr. Giffen, for the year 1850, gave the wages of able seamen in sailing vessels, and in 1882 or 1883 the wages of able seamen in steam vessels, instead of comparing the wages of able seamen in sailing vessels in 1882 and 1883 with the wages of able seamen in sailing vessels in 1850. He said nothing at all about these sailing vessel rates of 1882 or 1883, but ought to have done, because the employment on steam and on sailing vessels is a distinct class of occupation, and one ought not to be confounded with the other. If Mr. Giffen had taken the wages of able seamen in sailing vessels in one year and compared them with able seamen in sailing vessels in the other year, he would have found the increase of income reduced by 50 per cent. Not only would that be so, but another fact comes out most clearly : whereas in 1850, 103,913 men were employed in sailing vessels, in 1883, 58,000—or only one half—were employed in the same class of vessels. Now, at once some one would say that was owing to the circumstance that so many steamers were running. Nothing of the kind ; for the tonnage of sailing vessels in 1883 was slightly in excess of the tonnage of the same class of vessels in 1854. So they saw that, for an increase in wages of something like 15 or 20 per cent. working men had to do very nearly double the labour. Mr. Hey, of the Ironfounders, had been at the trouble of taking from the books of that Association the average wages from the year 1855 to the present time, and had entered into careful details as to deductions made for holidays, short time, sickness, and so on. After these deductions, Mr. Hey had ascertained that for the ten years, 1855–65, the net wages of ironfounders throughout the kingdom were *1l. 4s. 6d.* per week ; for the ten years, 1865–75, *1l. 5s. 6d.* ; and for the ten years, 1875–85, *1l. 5s. 5½d.* Where, then, was the increase of wages, which Mr. Giffen had estimated? Look at the matter in this way : the progress of industry, causing the development of large businesses, had resulted in arrangements which enabled a certain portion of the community to do far less drudgery and far less work, while they realised greater incomes. On the other hand, the working classes, for instance, weavers—my mother was a weaver, and I have heard her say

that weavers, before the passing of the Factory (10 hours) Act, used to work at a certain rate of speed ; but on the introduction of the ten hours system, they had to turn out more work in a given time than they did before that Act came into operation. From these facts there was conclusive proof that the capitalist classes had less work and got more money, while the working classes had more work and got a little more pay, but not in proportion to the extra work they were now called upon to do.

Mr. W. SAUNDERS (English Land Restoration League), having explained that he had no intention of saying a word, at that moment, on behalf of the League from which he was a delegate, stated that he wished to refer to the practical suggestions made by Sir Thomas Brassey in his excellent paper. The first was, that working-men must look to capitalists to give them employment, and that, perhaps, the best mode which capitalists could adopt for stimulating employment would be in building houses for the people. Now, they might assume that both labour and capital were directed by a reasonable amount of common sense, and that a capitalist would employ his capital, and a labourer would employ his talent, if he had got the chance of doing so, with a prospect of profit. What was it then that prevented the employment of capital and of labour in the manner indicated by Sir Thomas Brassey ? In reference to that question he would mention two facts. In his own neighbourhood a man wanted to build a house and fixed his mind upon a piece of ground which, at present, was paying hardly anything to the landowner. The landowner would not allow him to build that house unless he paid at least one-third of the value of the house, or gave an equivalent in ground rent. If he wanted to build a house worth 2,000*l.* he could not do it unless he paid the landowner 1,000*l.* for that which was not now bringing 2*l.* a year. In the country it was exactly the same. A gentleman desirous of building a house in the middle of the country, 100 miles from London, asked a landlord on what terms he would sell him a field—a small field which was unoccupied at the time, and which has been unoccupied ever since ; and the reply of the landlord was : ‘ If you offered me 1,000*l.* for that field, more than it is worth, I would not take the trouble to complicate and bother my settlement with the transaction.’ In both cases, therefore, labour was restricted by the action thus described. Instead of pointing to various schemes which might be complicated and difficult, and instead of referring the labourer to the capitalist, and the capitalist to the labourer, and talking about lower wages, what was required in order to improve the condition of the labourer and of the artisan was simply to remove the bands which now repressed industry.

Mr. BURNS (Social Democratic Federation) said they had been warned by the chairman to address their remarks to the audience in language as polite as it was possible for working-men to use. Now, considering that working-men had not much time to study politeness, that the class to which he himself belonged had unfortunately to get up at half-past four in the morning and to work hard all day for scanty wages, much politeness could not be expected from them. As one who had travelled throughout Great Britain, and who knew, as an engineer, the condition of his fellow-workmen, he considered that Mr. D. Cunningham, in his paper, had unjustly taken the employés of the Dundee Harbour Board as a standard of the wages of the Scotch people in that particular district. The employés of Boards of Conservancy, and of Harbour Trust Boards and Corporation Boards generally, there received, on an average, from 4s. to 8s. and 9s. a week more than the average rate of wage paid at competition shops in the same district; that was, the majority of men who had worked for Corporation Boards and private firms. Mr. D. Cunningham had said that between 1859 and 1884 there had been an increase of workmen's wages from 60 to 80 per cent. Viewed from a workman's position, that was a marvellous statement to make: it was one which he could in no sense corroborate. Mr. D. Cunningham ought not to forget the important fact that, although nominally wages had increased, yet the purchasing power of the money had decreased amazingly in the period to which reference had been made. The writer of the same paper had asserted that the prices of commodities, such as tea, sugar, soap, treacle, syrup, and marmalade averaged now only half the prices of 1859. But a working-man did not live on tea, sugar, soap, treacle, syrup and marmalade (laughter). There were other commodities which entered into a working-man's diet besides such things as marmalade, sugar, and syrup. Mr. D. Cunningham told them that the price of meat to-day, compared with 1859, was not much greater. As one compelled by the general low wages he received from the capitalist to be more of a vegetarian than he liked, he would tell Mr. D. Cunningham that the meat was now extravagantly dear, the prices were prohibitive to men, especially in the district mentioned in the paper, Dundee, where the average rate of wages of members of the Amalgamated Society of Engineers, when they happened to be in work, was from 26s. to 28s. a week. And yet, in the face of that fact, the writer of the paper had told the Conference that the average rate of wages was between 29s. and 30s. per week! Taking into consideration the circumstance that, as Dundee, being a port, was dependent upon the arrival of shipping, they would at once see that occupation there was precarious, and they

would not be surprised to hear that the amount of earnings per head, or per family, was at least 50 per cent. lower than the estimate of Mr. D. Cunningham. The average wages received by members of the Society of Amalgamated Engineers were 38s. a week in London, and in other parts from 26s. to 36s. Throughout the whole country, the average wages of men in work, in precarious times like these, would not be more than 29s. a week. Mr. D. Cunningham had told them that superior articles of consumption, such as eggs and meat of home growth, had risen considerably in price, but their place had been largely occupied by imported foods in tins. The working classes had been told by many gentlemen that one of the causes of the bad condition they were in was that they were thriftless and dissolute. Even upon the wages estimated by Mr. D. Cunningham, it was not possible for the father of a family of four or five to be thrifty. Assuming, for the moment, that Mr. D. Cunningham's figures were not exaggerated—and he for one did not believe they were exaggerated intentionally—it was not evidence of well-being and material prosperity for a man to receive, on the average, from 28s. to 31s. a week; because that was not an extraordinarily large sum out of which to keep a family of two or three children, and with an exorbitant house-rent to pay. When he found that the actual amount received by employés of the Dundee Harbour Board, distributed over skilled and unskilled workmen, was not more than from 18s. to 19s., he felt that Mr. D. Cunningham's figures must be accepted with a very large grain of salt. With regard to the condition of the people and their remuneration, the present period was equal in its intensity and bitterness to the period of 1879, so graphically described by Sir Thomas Brassey, some five years ago, in *The Nineteenth Century*. Had Sir Thomas Brassey read over his article, published in 1879, it might have saved him the trouble of writing another on the same question. With regard to the purchasing power of money, meat was at least 50 per cent. dearer than it was twenty-five years ago. It was, however, true that boots were cheaper. It used to be said, 'There is nothing like leather'; but the shoemaker of the present day appeared to have reversed that saying by substituting another, 'There is nothing like brown paper'; and he gave them plenty of it. What was said of boots applied to clothing, such as moleskins and corduroys, which, although decreased 25 per cent. in price, had diminished 125 per cent. in quality. In fact, the clothes sold to the working classes at the shoddy shops were similar to the goods supplied to the natives on the banks of the Niger and the Congo, where he had been. He remembered seeing a native on the banks of the Niger washing some of his clothes. They had recently been

brought from England, and by the time he had rinsed the water, blue, and size out of them, there was very little left for him to wear (laughter). Such statements as those made in Mr. D. Cunningham's paper must be seriously met by the artisans to whom they were addressed, and this Conference did not in any sense represent a number of persons who were affected by the question (hear, hear). It was a question which would have to be threshed out by the working classes, and he was sorry that Mr. D. Cunningham had not gone to better authorities for his figures, and given better data than he had in his paper. Those figures and data were inaccurate and misleading, and he questioned them, as a reformer, as a sober man, as a Malthusian, and more of a vegetarian than he should be. There were many of his fellow-men who would question such statements; he referred to men who practised the virtues of temperance, who neither drank, nor smoked, nor chewed (laughter). Artisans could not live on the miserable wages received by agricultural labourers, ship riveters, and sailors (applause).

The CHAIRMAN: At the beginning of his remarks, Mr. Burns alluded to my ruling as to what he called politeness. I think the Conference will see that there is very great distinction between the character of the observations which have fallen from Mr. Burns, which were entirely pertinent, and to the point, and remarks such as those to which I alluded. The latter were in the nature of comment upon the Church and upon the Army, which are matters entirely outside, I think, the proceedings of this Conference. One of the speakers referred to those who, not belonging to the labouring classes, were unused to hard words; but that is a remark which cannot apply to politicians. It was not in consequence of any general dislike of hard words that I spoke on the matter, but from a desire that our proceedings should be confined strictly to the great question before us. (Applause.)

Mr. JAMES AITKIN (Greenock Chamber of Commerce) said that he observed in some of the papers statements put forth that pointed in the very opposite direction to what experience teaches. Mr. Hutchinson (page 49) set forth that the increase of the products of industry had been of such benefit to the working-man as to bring these products within the purchasing power of himself and family. It must be admitted that great benefits had been derived from the increase of the products of industry of late years; still these benefits had been altogether in favour of the capitalists, the employers, and but a very small section of the working population. That section consisted of those who were in constant employment and highly paid; and those who were only occasionally employed at low wages derived

no benefit but rather injury. We need not go back one hundred years in search of information on this question. If the inquiry be confined to the last forty or fifty years, there is a whole army of gentlemen who have had that-long experience in the weaving factory, the engine shop, or the building yard. These gentlemen can furnish much more reliable information on this question than it is possible to extract from any statistical tables, however carefully they may be prepared. In making such an assertion it is necessary to show how it is possible that what is apparently the prosperous state of the country, can be detrimental to a large portion of its inhabitants. There are agencies at work the tendency of which is to depress the workman. Fortunately many of these are under the control of the workman, if he choose to avoid them; but there is one, the most powerfully depressing agency of all, over which he has no control whatever; it is entirely in the hands of the capitalists and employers, and it is one of the principal factors in the depression of trade at the present time; he referred to the labour-saving appliances of modern times. Labour-saving machinery ought to be encouraged; the evil is not in the machinery but in the keen, grasping disposition of those who have it under their control. Were they to meet it in the spirit they ought to do, it might be a blessing to every one, while at present it is a curse to many a workman. Fifty years ago labour-saving machinery was comparatively little known. Now, there are occupations where the labour of the workman has been nearly dispensed with altogether, although fifty years ago the labour was entirely performed by the workman. In carpet weaving, fifty years ago, the workman drove the shuttle with the hand, and produced from forty-five to fifty yards per week, for which he was paid from 9*d.* to 1*s.* per yard, while at the present day a girl attending a steam loom can produce sixty yards a day, and does not cost her employer 1½*d.* per yard for her labour. That girl with her loom is now doing the work of eight men. The question is, How are these men employed now? In a clothier's establishment, seeing a girl at work at a sewing-machine, he asked the employer how many men's labour that machine saved him. He said it saved him twelve men's labour. Then he asked, 'What would these twelve men be doing now?' 'Oh,' he said, 'they will be much better employed than if they had been with me, perhaps at some new industry.' He asked, 'What new industry?' but the employer could not point out any, except photography: at last he said they would probably have found employment in making sewing-machines. Shortly afterwards he was asked to visit the American Singer Sewing Machine Factory near Glasgow. He got this clothier to accompany him, and when going over the

works they came upon the very same kind of machines as the clothier had in his establishment. They put the question to the manager, 'How long would it take a man to make one of these machines?' He said he could not tell, as no man made a machine; they had a more expeditious way of doing it than that; there would be upwards of thirty men employed in the making of one machine; but he said if they were to make this particular kind of machine, they would turn out one for every four and a half days' work of each man in their employment. Now, there was a machine that with a girl had done the work of twelve men for nearly ten years, and the owner of that machine was under the impression that these twelve men would be employed making another machine, while four and a half days of each of those men were sufficient to make another machine that was capable of displacing other twelve men. Were this a solitary case, there would be little to complain of, but when we take into account that it is the same with almost every industry under the sun, it becomes a serious consideration. (Hear, hear.) The building in which they were met would have taken double the number of men to construct it fifty years ago that it would at the present day. There is scarcely a branch connected with house-building in which labour-saving machinery has not come into operation. Slating and plasterwork are but slightly affected, but in some of the other departments one man with two assistants attending a machine will do as much work as sixty men would have done fifty years ago. Viewing the present depression of trade in the light of these facts, how can it be possible for men to get a living who have nothing but their labour to depend on, and who have been deprived of a market for their labour by the introduction of labour-saving appliances? Is it not necessary that there should be a reduction of the hours of labour so as to allow everyone to earn his own livelihood? It would certainly be better that ten men should work six hours a day, and all be employed, than that six men should work ten hours a day and the other four men go about idly and be supported as paupers. (Hear, hear.) Mr. Giffen made great efforts to induce the public to believe that the working classes have been greatly benefited by the increase of their wages during the last fifty years. His own impression was that the wage-earning population would have enjoyed all the comforts they now do, had wages remained at the rate they were fifty years ago. Practically wages have not risen at all, for just as wages rose everything else advanced in price—clothing, house rents, and food, with very few exceptions, and, from the very nature of trade, it cannot be otherwise if people are to deal fairly and honourably towards each other. Fifty years ago wages were little more than

half of what they are now. Assume that in the house-building trade the masons claim and gain advance of 10 per cent. on their wages. Then the joiner, the slater, the unskilled and all other branches connected with house-building, would consider that they were as much entitled to an advance of 10 per cent. as the masons, and they would get it. The house that could formerly be built for one thousand pounds would then cost eleven hundred pounds, and the house rent that was formerly 10*l.* would be 11*l.* Next come in their turn the clothier, the shoemaker, and the baker; these very naturally say that if they are to pay 10 per cent. more for houses, they are entitled to get 10 per cent. more for the commodities they are producing for the builders. They also make the demand and get the advance, and the same thing goes on until within two years from the start every occupation has got 10 per cent. of an advance. They are now all upon a level as formerly, only 10 per cent. higher, and ready to start afresh for another advance. Every one is getting 10 per cent. more for his labour, and paying 10 per cent. more for everything he requires, so that, practically, wages have not risen at all. Individually, the workman is no better, while nationally he is a great deal worse. With high wages and heavy import duties at home, and export bounties abroad, the produce of his labour is practically shut out of the foreign markets, while the foreigner is freely bringing his manufactures into this country and outselling the home manufacturer in his own market, and our own workmen are going about starving. By the aid of their trades unions workmen have succeeded in nearly doubling their wages, and in doing so they have spent large sums of money on strikes and lock-outs, but they have fought against their own shadows, and gained the victory over themselves. What did the 10 per cent. advance of wages matter to their employers? It affected them only so far as they had contracts taken at the time. Beyond that, and at the very first opportunity, they recouped themselves from the house proprietors for whom they erected the houses, and the house proprietors in turn recouped themselves from the people who inhabit the houses, so that in the end things are no better than they were at the beginning. Impartial investigation would do much to expel from the minds of workmen that phantom breach between capital and labour, that exists only in the imagination, would help to maintain the prosperity of the country by establishing a more friendly feeling between employers and their workmen. (Applause.)

Professor BARSTABLE (Statistical Society of Ireland), having observed that the discussion had not kept very close to the question, pointed out that there were three classes distinctly mentioned amongst whom the products of industry were to be distributed. Two of these

classes were placed together in the terms of the question, capitalists and employers. Anyone acquainted with the facts would see that the remuneration of one of these classes might be greatly diminished, while that of the other might be vastly increased. Carefully prepared statistics had, he thought, shown that the remuneration of capital had not increased. As a matter of fact, the rate of interest had been steadily falling for many years. On the other hand, the remuneration of employers, where they were successful, had undoubtedly increased; but with regard to the remuneration of employers as a body, there had been so many failures that the question was an open one, whether they had, as a whole, succeeded. In considering this question, the progress of industry in the last one hundred years must not be dealt with as a fact by itself. In other periods of English history exactly the same kind of depression had occurred; in the Elizabethan period, for example; in fact, it was a feature common to all periods of transition. One striking fact had not been brought out in regard to depression, viz. that it was not connected with the progress of machinery. Undoubtedly the working classes had advanced during the present century, whatever might be said of their relative advantages two or three centuries ago. The depression at the commencement of this century existed far more on the continent than it did in England. The terrible extent of the depression was pointed out by Sismondi, in his great work, who contrasted the condition of England, where machinery was greatly developed, with the continent, where it was not. A point, especially worthy of notice, in Mr. Lloyd Jones's paper, was his remark that England possessed only a limited foreign trade in what he had called the pre-mechanical times. Taking trade as a whole, that was disputable. So eminent an authority as Adam Smith had shown distinctly that England's foreign wars materially affected exports, especially of woollen products, and that, at the conclusion of peace, after certain great wars, considerable distress followed, in consequence of the excessive production of English manufactures, the check put upon exports, and also the number of men disbanded. The change in the relations of masters and workmen had been attributed largely to the progress of industry. That statement was plainly open to dispute. The change was due partly to the breaking up of the feudal system, partly to the repeal of the Corporation Laws, itself partly due to the action of the employers, and in great part to the spirit of independence developed among the working-men, *i.e.* the democratic spirit. In the early part of the present century the continental system adopted by Napoleon had the effect of considerably injuring English trade. It was a remarkable fact that this growth of industry, which advanced the position of the

employers, was so disastrous to foreign countries that several of them, if not all, endeavoured to encourage manufacturing industry by protective systems. We were all aware that, in America, the protective system was adopted to encourage manufactures. The same course was adopted by Germany, and was always maintained in France. Within the last few years, the working classes had received at least one advantage: they had been enabled to get sound education for their children. Several delegates had apologised for remarks which might be considered unpolite, owing to want of education. It was perfectly plain that the working classes were not by any means deficient in education. As a matter of fact, more hard language had been used on the side of employers than on the part of working men. With reference to the terms of the question, as it appeared on the paper, it should be borne in mind that, while there were employers who developed industry, there was also a division of capitalists or persons generally known as speculators; for, if consideration was paid to the amount of profit made in trade, it would appear clear that a great deal of such profit, which included interest and employer's remuneration, was the result of speculation, and not of the fair management of industry. All would recognise the fact that some of these men lost considerably by speculation. The extraordinary development of industry in the early part of the century did not seem to have been brought out sufficiently in discussion. No doubt the action of trades unions had succeeded in removing a great deal of difficulty, and had placed the working-man in a much stronger and better position. In such a country as America there was no great-class prejudice, and yet there was the same tendency to divide the workmen from the employers, a great number of the latter having risen from the ranks of the working-men. (Applause.)

Professor MARSHALL (Professor of Political Economy in the University of Cambridge) remarked that there had been a tendency for those who ranked with the wage-receivers to try to prove that wages were low, as, throughout the discussion generally, there had been a tendency to try to show that wages were high. It would be a great advantage if they could look at the matter from a purely impartial point of view. There was a great temptation to exaggerate the misery around us. No doubt the misery that did exist at present was a scandal; it ought not to exist. Had it not been for the repression of knowledge in earlier years, and had it not been for the military system which kept down the free development of the people, we should long ago have risen out of a state in which the condition of the working classes was unendurable. There was no use whatever in pretending that their present condition was satisfactory; on the

other hand, there was great positive harm in trying to make it appear that they were worse off than they had been formerly, because, then, the advocates of the old repressive system, and of all the things which hung together with that system, would say: 'They surely are going on the wrong tack.' (A Delegate: So we are.) It was, therefore, right that members of the Conference should put a little restraint upon themselves and not allow their indignation at existing evils to induce them to exaggerate the happiness of times that had passed away. What Mr. Lloyd Jones had said about statistics of the present day was certainly true. It was difficult to get accurate statistics, but how were statistics in past times got? Much of the evidence of the well-being of the working classes came from the stray notes of travellers who formed their impressions as carelessly as Mr. Anthony Trollope did when he made his tour in America. Mr. Lloyd Jones had said there was an enormous improvement in production, and yet very little increase in the actual wages of the working classes. It was quite true there had been an enormous increase in the power of producing watches; and, if the working classes wanted to spend all their income on watches, they would be very much better off than they had been before. But when they spoke of the income of the working classes, they thought chiefly of bread and meat, and house-room, and there had not been so great an increase in the production of these. It is not fair to complain that the increase of production has not raised wages much, and to measure the increase in production only in manufactures, while we measure wages chiefly with reference to raw produce. The times had not been so much out of joint as some persons imagined, who thought that, if wealth were divided equally, all would be rich. That was quite a mistake. If they were to divide the wealth equally, the average per head would be only 3*l.* 8*s.* for England and Wales, the richest part of the kingdom. [A Delegate: Per head of the family?] No, per head of the population. Many families in Lancashire earned quite five times that amount. [A Delegate: Not many. Where?] It was quite true there were few statistics with regard to the past; but they had them for 1688 and 1803; and these could be compared with our estimates for 1883. In 1688, the average wages of the working classes of England and Wales was 3*l.* 10*s.*, and of the total population 8*l.*; the average for the working classes was, therefore, 45 per cent. of the income enjoyed by the average of the population. In 1803, it rose to 50 per cent. (the income of the working classes being 12*l.* a head, and that of the whole population 24*l.*), and in 1883, to 57 per cent. (the income of the working classes being 20*l.* 14*s.* a head, and that of the whole population 36*l.* 8*s.*). In this estimate for 1883,

he was going on Mr. Dudley Baxter's figures, with some modifications. Mr. Mulhall had published no estimate in detail of the wages of the working classes, and, therefore, ought not to be compared with either Professor Leone Levi or Mr. Dudley Baxter on this matter. But the last two authorities might fairly be compared: Mr. Baxter excluded from the wage-receiving class, foremen, overlookers, &c., whom Mr. Levi reckons, as most other people do, among them. Also he assumed as the basis of his estimate that 20 per cent. of the working classes were habitually out of employment. Most people thought that too high. Lastly, Mr. Baxter took the year 1867, when there was a great deal of depression: Professor Levi, 1866, when things were much better. Allowing for these differences they would find the results of these two careful statisticians agreed very closely, and were on the whole trustworthy. In all ages of the world there had been a general tendency to believe that men were now worse off than their ancestors, and that all the things they had to wear were of inferior quality to the clothes worn in old times. It had been stated, in the course of the discussion, that the quality of fustian was 125 per cent. worse. Test that statement by reason. Cotton had never been cheaper than it was now; at the beginning of the present century it was 1s. 6d. per lb.; it shortly fell to about the price at which it stood now. It had, since that fall, remained at the same price, except during the American War. Meanwhile, there had of course been great improvements in the machinery by which fustian was made. The Hebden-Bridge Fustian Co-operative Society was admirably managed and they could trust its accounts. If it was true that thoroughly bad material could be sold at nearly the price for which material was formerly made; if it was true that the Hebden-Bridge Society bought its raw material quite as cheaply as it used to be bought, that it had better machinery, and not very much higher wages, then that Society ought to be able to divide 300 per cent. per annum on its capital. As they did not make these large profits, it was clear either that wages had risen enormously, or that good fustian was to be had cheaper than before. [A Delegate: What about the paper boots?] There had been bad things in all times. Mr. Lloyd Jones had said that popular rumour should be trusted as to the state of depression in the country. If they read history they would find that, out of eighty-four years in the present century, there had been about fourteen in which there was no murmur of depression in industry; in all the others there had been. If they looked into the details they would find far greater misery than any that was at all common now. In the year 1840, in Liverpool, there were as many as 30,000 persons living in 8,000 cellars; none of the cellars

were ever dry, and after a considerable rain most of them were flooded. Where is now New Oxford Street, between Old Oxford Street and Holborn, there was formerly a large area, with scarcely a single drain, where the people were packed like sardines in a box. The stories they had lately heard about the present condition of the people at the East-end of London, terrible as they were, were not as bad as the stories told of the former condition of the poorer-classes of the population. Do not let them delude themselves with the idea that any distribution of wealth would make the condition of affairs perfect or satisfactory. We want to increase the production nearly as much as we want to improve the distribution of wealth. Times were no doubt out of joint, but there was no good in pretending that they were more out of joint than formerly.

Mr. WILLIAMS (Social Democratic Federation) said that, as a labourer representing the labouring portion of the Social Democratic Federation, he confessed it was very hard to do, as the last speaker had suggested, namely, to put a restraint upon himself, and not condemn the employing classes quite as much as he, and those who agreed with him, had been doing. He maintained that they were fully justified in going as far as they had gone in attacking the employing classes, seeing the extent of the poverty and misery surrounding them, and the number of years they had been fighting this question. The men who had been working up the class hatred are the employing classes, who had none but themselves to thank if this class hatred now existed. With regard to the condition of the workers, whenever times of depression arose, somebody was sure to come forward and tell them they were better off now than they had been years ago. However that may be, the question was, Did they now get a fair share of the product they created by their labour? If they did not, then he for one would go on condemning the present system until they did get a fair share. Professor Leoni Levi wanted to make out that the workmen of to-day were a great deal better off than formerly: he said the income of the working class was about 569,000,000*l.* Figures such as those had been used in times of depression for the purpose of deceiving the working classes, for he maintained that their income was only 300,000,000*l.* Professor Levi had gone back to the year 1793, when, as he stated, the agricultural labourer received but 1*s.* 9*d.* a day, whereas now he got from 2*s.* to 2*s.* 6*d.*, from which, concluded the Professor, the agricultural labourer was better off now than then. But Professor Levi seemed to have forgotten that the purchasing power of that 1*s.* 9*d.* was much greater at that time than the purchasing power of 2*s.* or 2*s.* 6*d.* in these days. (Hear, hear.) That fact was well-known to all who had

studied the currency question. Moreover the agricultural labourer had then his own plot of land, on which he could grow his own vegetables, and where he could have his one or two pigs—advantages which considerably helped to keep him in comfort. Again, the same professor had stated that the agricultural labourer of the former period could not live on 1s. 9d. a day, and had therefore to apply for charity, but that now, as he received 2s. or 2s. 6d. a day, he could put something by to support him in his old age. These figures seemed to be jumbled up for the purpose of deceiving the working classes. Sir Thomas Brassey had said that it was a vague idea that the rich were getting richer and the poor poorer. As a labouring man he declared emphatically that wealth was to-day getting into fewer hands, and the labouring population were becoming poorer and poorer day by day. He owned that gentlemen could not see this sitting at their West-end clubs. What they should do was to go to the Dock gates, for there they would see thousands of men begging, and even clamouring, for employment; then, they might ask if that was a proper state of things to exist in this country. Sir Thomas Brassey had said, what was wanted was a better understanding. Why, for years and years, the working classes had been trying to arrive at an understanding with their employers, but the latter would not allow them to do so. The time had now gone by for a better understanding, and the time had come to declare that the present degrading system should exist no longer. (Applause.) He was convinced that many men would go away from the Conference determined to do their utmost to sweep away that system. The return of the Post Office Savings Banks, to which Professor Levi had referred, was really no criterion as to the wealth of the working classes, and, therefore, to quote that return for such a purpose was misleading, because a majority of the depositors belonged to the middle classes. He knew of family after family belonging to the middle classes, the members of which, from the youngest to the parents themselves, placed money in the Post Office Savings Banks. He consequently dismissed that return as vague and misleading so far as concerned the suggestion that it represented the savings of the working classes. As a labouring man for twenty-five years, and unmarried still, he had been unable to put by anything in the Post Office Savings Bank. As to over-production, there was no such thing in this country. How could there be when people were seen walking about our cities in large numbers, starving for want of work and crying for the things that filled the warehouses. (Hear, hear.) After that, the theories about over-production ought to be knocked on the head. With regard to thrift, the working classes were the most thrifty people

under the sun : there was no mistake about it. (Applause.) The people who talked so much about thrift had said : ' You should live on less.' German employers said the same thing to their workmen, and the Chinese to theirs ; and it was said the Chinese had sufficient. But, surely, they would not have English workmen live in the same way as the Chinese. He remembered, when the Duke of Westminster called a meeting to consider the question of thrift, he was asked whether he did not believe that the working classes were the most thrifty people under the sun. In reply, his Grace said : ' I do not think they are.' Said the workman who had put the question, ' I will prove that they are the most thrifty. Only let me have your income, and you, in exchange, take mine—my wages of 18s. a week—and then we would soon see whether you could save anything. My opinion is that at the end of the year, you would be knocking at the workhouse door.' (Hear, hear.) As to peasant proprietorship, he denied that it would do away with poverty ; and in proof of this he might state that in France, where the system existed, the people were in abject poverty.—The CHAIRMAN : We are drifting into the subjects put down for the third day.—Mr. WILLIAMS concluded by expressing a hope that, whatever delegates might come on the platform, they would speak out what they thought, freely and fearlessly, whether by so doing they offended or not, the classes whom they had to affront. (Applause.)

Sir T. BRASSEY, in reply, said : Although much they had heard that morning was necessarily of a very painful character, and although the particular subject which he undertook to discuss was less congenial to him than some other topics, such, for instance, as the subject of what capital could and ought to do for labour, nevertheless he was glad to have been present at the Conference. It was valuable and instructive to all classes of the community to have an opportunity of meeting together, and discussing in a spirit of sympathy and appreciation the important problems which had been brought under consideration. Some of the speakers had sought to traverse the statements he had made. No one could dispute the increasing returns of accumulated savings, but the fact that capital was being rapidly accumulated, did not prove large profits as much as a general desire to save. He had given some figures to show that there was a tendency to reduction in the rate of profit. More information on the subject was greatly wanted. The Governments of other countries were doing much more than had been done by our own Government to supply information on this matter. In America, the collection of statistics, bearing upon the interests of the labouring man, had been carried a great deal further than it had been in

England. But, in addition to what the Government might do in order to furnish information, there were many other sources to which we might confidently look. The trades union organisations might be most useful for such work. He was not one of those who in the least questioned the extent, value, or necessity of these organisations ; on the contrary, he looked to the intelligent guidance which came from trades union organisations as one of the surest means of improving the relations between capital and labour. A great deal could be done by the introduction and extension of co-operative industry. The returns of the joint-stock companies were made public, and, by testing the results by the dividends declared, the workmen in the several trades could gauge very fairly the value of their claims. A word or two as to what capital could do for labour : what did labour require ? It required higher wages and increased purchasing power for those wages. Observations had been made, and, he regretted, with great truth, as to the insufficiency of wages in many trades. To what was that insufficiency due ? It was due to excessive competition for employment. One of the speakers had referred to the insufficiency of the wages of our able seamen. He knew something of the hard life of the seamen, and he had always considered that the wages of our seamen were lamentably low. But why was it that the wages were so low in the sailing ships of this country ? It was owing to the competition of the foreigner. Vessels were largely manned by foreign seamen, who were glad to serve in British ships at low rates of wages. How was this to be remedied ? how were they to obtain an advance of wages ? By increasing the demand for labour. They must endeavour to create more and wider markets for British productions. By stimulating the growth of our colonies, a double result would be produced : firstly, the creation of a larger market for British goods, and secondly, an increased demand for labour in this country, thereby tending to increase the rate of wages in England. Such, among other means, seemed to him the most practicable by which capital might do a service to labour. Unless capital could show itself to be of some service to the community, the tenure of the capitalist would be, and ought to be, precarious.

Mr. LLOYD JONES, in reply, said, as to his remark respecting the very large increase of the mechanical producing power of the country, Professor Marshall's observations with reference to watches did not apply to that at all. Every machine that was made produced something in the factories and workshops at home, and every product at home was exchangeable abroad—food no less than any other product—so that an increase of food had been brought about by the increase of machinery, and the more machinery was increased, the greater

would be the exportation of its product, and the more would the food of the people of this country be increased. He had not himself said that the poor were getting poorer, and the rich richer; but he did assert that that was not the question for the present age. The question was not whether the worker was better off than his grandfather in a number of things, but whether he was as well off as the resources of the country entitled him to be. We could not reform the past, but we could reform the use we made of that which was in our hands at present. He did not accept the rumours that were going about in regard to the condition of the people. He had lived too long in connexion with the newspaper press to accept all it had to say. He used his own eyes and ears in preference to any number of doubtful tables of figures which might be brought forward. What he saw, and heard, and had touched, he believed; but were tables of statistics doubled, he would not believe one of them without corroboration.

Mr. D. CUNNINGHAM, in reply, said that the figures given in his paper had been taken from the wages' books of the Dundee Harbour Trustees, which were still extant, and could be consulted by anyone who disputed the correctness of his statistics. If corroboration were wanted as to the great rise in the rates of wages that had taken place in Dundee, the case of printers might be cited. Printers, from 1833 to 1838 received 16s. per week, while from 1876 to 1884, for newspapers, the pay for work ranged from 32s. 6d. to 42s., and for book and jobbing work, from 26s. to 35s. Coincident with such an extraordinary increase, the hours of work per week had diminished from not less than 60 to 51 hours; that was to say, that, while the rate of pay was doubled, the hours of work had been much reduced. Then, as to the savings of the working classes in Dundee, the return of the Dundee Savings Bank showed that, in the last eight years—that was from the end of 1876 to the end of 1884—the deposits had increased from 447,080*l.* to 739,483*l.*, or by 290,000*l.*; and, as he was assured by the accountant and cashier of that bank that eleven-twelfths of the depositors belonged to the working classes, he contended that the savings of these classes had largely increased, and that they must have realised a greatly improved condition.

AFTERNOON SESSION.

HAS THE INCREASE OF THE PRODUCTS OF INDUSTRY WITHIN THE LAST HUNDRED YEARS TENDED MOST TO THE BENEFIT OF CAPITALISTS AND EMPLOYERS, OR TO THAT OF THE WORKING CLASSES, WHETHER ARTISANS, LABOURERS, OR OTHERS? AND IN WHAT RELATIVE PROPORTIONS IN ANY GIVEN PERIOD?

Loss or Gain of the Working Classes during the Nineteenth Century.

BY EDITH SIMCOX.

WE can more easily compare the condition of capitalists and employers now and a century ago, than we can the condition of the working classes at the same dates. There must, therefore, be a good deal of guess-work in any attempt to solve the proposed problem, and perhaps also some danger of mistaking guesses for statistical certainty. With this proviso, I am prepared to submit the following answer to the question before us. The chief benefit of the industrial progress of the last century has been reaped—amongst capitalists by the greatest capitalists; amongst employers of labour by the largest employers; in general, by the dealers in commodities (labour included), rather than by makers or producers; and amongst makers and producers, by those engaged in the most skilled rather than the most laborious work. In other words, there is more difference between the wealth and expenditure of a large manufacturer or mill-owner and a small one now than there was a hundred or even fifty years ago; there is more difference now between the owners of one of the colossal clothes-shops of the West-End and the little draper of a county town than there was in the same trade a hundred

years ago ; there is more difference between a great contractor and a working builder, more difference between a great banker and his manager and clerks now than there was then ; and, finally, there is more difference between the skilled artisan of to-day—an educated trades unionist, politician, and, probably, social reformer—and the residuum of the industrial population, than there was a century ago between the steadiest mechanic and the most loutish labourer.¹ The struggle for existence has been growing fiercer between the members of every distinct class, while at the same time the prizes for exceptional success have increased in value and the penalties for absolute failure in severity. Speaking generally, the rich trader has grown richer, and the poor trader, if he has not grown poorer absolutely, has grown poorer in relation to his wants.

If this be so, it is plain why the unqualified phrase about the rich growing richer and the poor poorer strikes those familiar with middle-class poverty as unreal. Struggling professional and business men are not classed with the poor, and yet they are certainly not growing richer. There is, I believe, a universal consensus of opinion amongst men of business, that it is harder now to make sure of a moderate income than it was fifty or seventy-five years ago, and though a mere impression that the former times were better than these is open to suspicion, it is confirmed, as far as the last forty years are concerned, by the interesting table compiled by Mr. Giffen to show the number of persons at different amounts of income charged under Schedule D in 1843 and 1880 respectively.² From this table it appears that small incomes have increased 300 per cent., moderate incomes not quite 240 per cent., large incomes 400 per cent., and very large incomes 800 per cent. The medium incomes, which in 1843 were nearly 17 per cent. of the whole, have fallen to a little over 13 per cent. The evidence of the

¹ There is one exception—perhaps two—to this rule. The gulf between a bishop and a curate is less wide and deep than it was a hundred years back ; and I am not sure that there is any more difference now than then between the highest and the lowest earnings of feminine industry. The proprietress of a fashionable finishing establishment, early in the century, must have realised at least as large an income as the head-mistress of a modern high school does now.

² See Appendix A., p. 96.

assessed taxes is in the same direction, and tends also to show that middle-class poverty is not owing to a numerical increase in that class as compared with the rest of the community,¹ and that the proportion of the population which can be shown by authentic records to enjoy some measure of ease and luxury has not materially increased. The percentage of increase amongst income tax payers is higher than the increase of population, but in all these comparisons we must bear in mind the useful warning lately uttered by Mr. Giffen in the *Times*, that ‘the consideration of amounts as well as percentages is always material, and that to ignore the first element is “to blunder statistically.”’ In 1880, as compared with 1843, we have in England and Wales 10,000 more people with 1,000*l.* a year and upwards, to console us for the additional 9,990,000 who have come during the same interval into the possession of a less gratifying revenue.

In comparing the rate of progress in different sections of the working classes the revenue returns give us no assistance. But it will be admitted that the standard of comfort has risen amongst the well-to-do class of operatives. The *élite* of the mechanical trades—engineers, masons, carpenters, compositors, &c.—when all goes well, can and do provide for their households on a more liberal scale, as regards everything but house-room, than their prototypes at the beginning of the century. Given the great change to town from country life, perhaps it might be said that the home of a steady, skilled, and fortunate artisan would bear comparison with that of the lamented yeoman of old times. *Mutatis mutandis*, the conscious wants are about as well met, and there is therefore progress, as the mechanic of one hundred years ago was worse off than a yeoman. Unstinted food, clothes of the same pattern as the middle class, when house-rent permits, a tidy parlour, with stiff, cheap furniture, which, if not itself luxurious or beautiful, is a symptom of the luxury of self-respect, and an earnest of better taste to come, a newspaper, a club, an occasional holiday, perhaps a musical instrument—these represent the nineteenth century equivalent to the yeoman’s pony, shining pewter, bits of ancestral oak, and homespun napery. The life is more alert, as yet less pic-

¹ See Appendix B., p. 97.

turesque, but excluding none of the possibilities of real civilisation. We may even go so far as to admit that the prosperous operative is better off in comparison with the unprosperous middle-class man than ever before. But we cannot congratulate ourselves on this show of progress till we know to what proportion of the manual labour class this description applies.

Except in the year 1851, the census returns have been ingeniously arranged so as to throw as little light as possible upon the real distribution of the people, and the comparative number of employers and employed. An analysis will, however, be found in the Appendix (B), from which it appears that about twenty millions of the whole population registered for England and Wales in 1881 (25,974,439) must belong to the manual labour class. The remaining five or six millions include, besides the millionaires, landowners and other income-tax payers, the working farmers and tradesmen, petty shopkeepers, governesses, clerks,¹ and small employers of labour; and though actual starvation may be rare amongst these, all the other evils of poverty are familiar to the less fortunate members of every section of the group. If any portion of the community lives in clover at the expense of the rest, it is certainly not so large a proportion as one-fifth of the whole. Half at least of the five millions have as much to gain as the twenty millions by any reformation of the economic order, which will distribute the rewards of industry more equally, and diminish the wasteful fury of competition. Ten per cent. of the population may be interested (pecuniarily) in keeping things as they are; 90 per cent. have more to gain than to lose by change.

If we go back to the beginning of the century, about 2,000,000 (one-fourth of the population) lived in what are now urban sanitary districts with a population exceeding 50,000. Certainly a good deal over half the population then lived under what would now be called rural conditions, while less than two-fifths can be said to do so now. In 1801, then, we may

¹ It appears from a recent newspaper correspondence, that clerks in the employment of important companies are so badly paid that, like the Government officials of half-barbarous countries, such as Turkey and Russia, they cannot maintain a family unless they eke out their meagre salaries by peculation.

reckon 4,000,000 townsmen against 16,000,000 now. I do not propose to quote Mr. Ruskin or anyone more poetical than the Registrar-General, as to our gain or loss from this single change. The difference between the rate of mortality in town and country is such, that, in the course of the present century,¹ in England and Wales one million deaths are to be attributed to that cause alone. And these deaths are but a symptom. The towns have no monopoly of hovels or typhoid fever. What, then, must be the conditions of labour which are actually more fatal to life than the miserable existence of a farm labourer with a family to rear on 10s. a week? We know roughly what that lot involves, in scanty food, rheumatism, and brutalising hardship, and we have to realise that the life of the average townsman is physically harder, more exhausting and more distressing to flesh and blood, than that of the agricultural poor. Moreover, for every death due to preventable causes there is much illness not at once fatal, and for every disabling illness much previous pain and discomfort, all of which sickness and suffering must be added with the million deaths to the debit account of our material progress. So must all the deaths due to the different duration of life in different classes, which has allowed it to be said that one generation of masters wears out three generations of men.

It may seem inconsistent with the comparatively favourable record of rural districts, in regard to health, that the stronghold of pauperism has always been in them. But, though it is not possible to exaggerate the degrading effects of the old Poor Laws, the injury and suffering caused by them was moral rather than physical. The pauper labourer became servile, helpless, and apathetic, but he had enough to eat, and did not work too hard for his health. He got subsistence wages, though they were paid on a false base, and these subsistence wages could be got by any necessitous person who chose to claim them. Hence, in comparing the beginning of the century with the end, we must remember that pauperism and poverty were more nearly co-extensive terms in 1800 than in 1880. The comparative diminution of pauperism is a good thing, but we cannot

¹ Appendix C., p. 100.

argue from it to a corresponding diminution of poverty. The condition of the agricultural labourers has probably been more stationary than that of the town workers, and as their numbers also have been comparatively stationary, I will not linger on the question of their gains or losses, though a passing reminder may be permitted that their numbers are under a million, so that if the seven million acres of common land enclosed between the beginning of the eighteenth and the middle of the nineteenth centuries were now open to their use, after allowing for the claims of other commoners, there would be an average of some five acres a-piece to every labourer: how many cows, pigs, geese, ducks, and other live-stock might graze upon the five million acres I will leave it to statisticians to determine. We have unfortunately to do with what is, not what might have been.

The total number of paupers relieved in 1882 is given as 803,381, or 3·1 per cent. of the population; but this is no measure of the abject poverty existing at the same time. More than 10 per cent. of those who die in a year, die in work-houses or hospitals,¹ and this mortality represents a population of two and a half millions; so that nearly three and a half millions of the population are either actual paupers, or in such poverty as to have been driven across the borders of pauperism by illness. If we allow also for those as poor as the last class who for the moment escape disabling sickness, to say nothing of those maintained by private charity, we cannot set the number of the poor who live miserably upon the verge of pauperism at less than five millions, or more than half the whole population at the beginning of the century. The country workers number perhaps another five millions, whose life, though hard, is a degree less poisonous than that of the townsmen.

There remains to be considered the condition of some ten millions of town workers, including all mechanics and labourers whose life is not normally overshadowed by the fear of 'coming on the parish.' No hard and fast line can be drawn between the workers who are and those who are not to be counted amongst 'the poor'; there is a constant flux, and besides those

¹ Appendix D., p. 101.

who suffer from chronic underpayment, artisans, as well as tradesmen and rustics, are constantly sinking, with or without their own fault, into the depths of misery.¹ It is not easy to judge how many of the ten millions do or might belong to the prosperous aristocracy of the working classes, that section with which politicians come in contact, and from whence come those whom society is rather over-hasty to welcome as 'representative working-men.' A few years ago Mr. Howell estimated the total number of trades unionists at about 1,250,000, and unionism has not been making rapid progress since then. The trades unionist is better off than the outside workman; his wages not unfrequently average a shilling or so higher, he has more facilities for obtaining work, and usually receives both sick and out-of-work pay; but there is no hard and fast line between society and non-society men; many a man drops his subscription when times are bad, and if there are workmen outside the trade societies who are as well off as any unionist, there are plenty of unionists who feel the pinch of want; the society money is a poor substitute for wages, and even that is not continued indefinitely. I confess I should hardly venture to hope that more than two millions of skilled workers, representing a population of five millions, are living habitually in a state of ease and comparative security of the modest sort indicated above. The other five millions include the labourers and less skilled workers, male and female, whose maximum wages only suffice for the necessities and the barest decencies of existence, and for whom, therefore, any mischance means penury, passing swiftly into pauperism.

I am aware that writers of eminence have sketched a more rose-coloured picture of the positive and comparative estate of the working classes. Mr. Dudley Baxter in 1867 and Mr. Leone Levi ten years later, and again to-day, by the aid of some conjectural statistics, have estimated the collective income of the manual-labour class at an imposing total of millions sterling, which, divided by the total number of workers, and multiplied by two (because there are on an average two workers to a household), gives, according to the former, an average income

¹ Appendix E., p. 101.

to each working-class household of about 25s.;¹ say 1*l.* a week earned by the man, and 5s. by wife or child. Now, considering that to give even this average there must be, for every family with the moderate collective income of 3*l.* 5s., two families starving upon 5s., I might accept these figures as they are, and find in them a text for anything but cheerful considerations. But there are reasons² for thinking that (*a*) the rate of 'average' wages has been fixed too high in these calculations; (*b*) that allowance enough had not been made for loss through illness, and want of work, which alone would swallow up the 20 per cent. deduction contemplated by Mr. Baxter, or for the excessively low wages earned by some classes of workers.³

But, whether things are a little better or worse now, it may be said that they are better than they were. England was certainly not an industrial paradise fifty years ago, and I have no wish to understate the gain of the minority who have gained something in the industrial struggle. I will admit that wages have risen 50 per cent. in the last forty or fifty years. Let us see how much of this is pure gain. How much does the workman keep, and how much goes in increased rent; and is

¹ The average earnings of the Peabody tenants, a picked class, is 1*l.* 3*s.* 8*d.* See also Appendix G., p. 103.

² Appendix F., p. 101.

³ A new report has just been compiled by Professor Leone Levi, which gives the average income of each working class family at 1*l.* 12*s.*; but it would be premature to criticise this conclusion till the materials upon which it rests have been made public. To explain some of the discrepancies between his conclusions and those presented here, it may be observed that he puts the working class population at 70 per cent. instead of 75 per cent. of the whole, while two curious particulars augur ill for the convincing nature of the promised details. It is stated that, 'in the case of domestic servants, factory labourers, and others, persons of 15 years and upwards usually earn full wages.' This will be surprising to employers of 'domestic servants and others.' The other statement, which is surprising in another way, is that the average earnings of 'males under 20,' are lower in 1884 than 1867. The effect of the Education Acts in discouraging the employment of small children at nominal wages, has been to raise (in many cases as much as 300 per cent.) the wages earned by boys on first going out to work; and even if the wages of youths between 15 and 20 had not increased proportionately, it is inconceivable that there should have been any falling off in the two classes together. On the other hand, the average earnings per head of all workers ought to have risen slightly to make up for the reduction in the number of children returned as workers, but receiving only trivial sums.

employment at the higher rate as continuous as it was at the lower? Again, not to weary you with minute figures, I will refer to the appendix¹ for evidence that in London at all events, three-fifths of the increased wages go in increased rent, leaving a bare increase of 20 per cent. in the workman's hands. As to the second point, I do not think there is any exact statistical evidence in existence, but we have seen before that statistics when available bear out any general impression based on a candid inspection of social records. A century ago yearly hirings were common; they are now virtually unknown; engagements by the quarter, the month, the week, and the day, have superseded them; within the last half-century hirings by the hour have been introduced,² with the intention and the result of transferring the cost of the delays and loss of time, which are inevitable in all business, from the shoulders of the employer to the workman. I do not say that such engagements are unfair or otherwise objectionable, but I do say that for real wages to remain the same, nominal wages must be higher to make up for this special source of loss. So with weekly wages, if farmers and even country gentlemen turn off their labourers at the beginning of winter, the men must either have their summer wages raised or desert a calling that will not maintain them all the year round. The case of all season trades is similar, and in any trade in which work may be slack for three or six months of the year, wages, while obtainable, ought to be proportionately above the average. It has been stated that the employment of dock labourers is much less continuous than it used to be, shippers being in a greater hurry to unload, so that one day all applicants may be employed, and the next few or none. If this be so, the wages of the class have fallen, though the price per hour is the same. It is needless to say that wages are not in fact highest in the trades where work is most intermittent.

The tendency of which engagements by the hour are a sign, to run every bargain as fine as possible, has a good many other effects. As long as human beings are in close personal relations, a certain degree of kindness grows up. But the enlarged

¹ Appendix G., p. 103.

² Appendix H., p. 106.

transactions of the present day cause employers and employed to be separated by such a ladder of intermediaries that the real employer is able to ignore things done in his name and in his interest which he would be incapable of doing himself.¹ Men who would not dream of offering starvation wages to a kitchen-maid, or even to a clerk, acquiesce resignedly in the supposed necessities of the market, which involve the cutting down of prices to a point only reconcilable with the bankruptcy of the dealer or the starvation of the worker; and as they do not intend to become bankrupt, they do intend to starve their fellow-citizens—beginning, I must admit, with the women. If you reason with a good-natured employer of this class he says, ‘What are we to do?’ Glasgow talks about the cheap labour of London, and London of the cheap labour of Belfast, and each employer justifies himself by the example of the rest. *Il faut vivre*, they say. By all means, only why not begin by letting the needlewoman live? Can men have a right to do in numbers what they would not even wish to do singly?

Again, in a small community, when services are rendered directly from man to man, the principle of every one for himself would not prevent, say, a gentleman, whose stable had caught fire, from feeling bound to provide for a groom or labourer who was disabled in extinguishing it. The ethics of the market recognise no such responsibility,² and thus the cost of all the countless accidents, which are an inevitable accessory of our crowded civilisation, is cast exclusively upon the poorest members in the industrial partnership. In every business in which accidents occur the loss they entail is a part of the working expenses of the concern, yet we require that the manual workers shall not only incur the bodily risk, but also the pecuniary cost. Even the demands of the workers themselves do not go beyond compensation for injuries caused by the direct default of the employers. In the same way the cost of commercial crises is cast on the operatives, though the crises are caused by over-speculation, which is stimulated by over-accumulation, which is rendered possible by the antecedent under-payment of labour. When all goes well, the workman

¹ Appendix I., p. 106.

² Appendix K., p. 107.

may live, in no more than decent comfort, but there are too many chances against him. Untimely death, sickness, want of employment, reduced wages and industrial accidents, affect so many that the exceptions to the rule that an honest worker need not starve are so numerous as to form a class counted by millions. I do not mean to say that all poverty is innocent, but I do believe that there is as much vice descended from blameless poverty as there is poverty descended from blameworthy vice.

I am not asked to propose a remedy for existing evils, but to draw up an indictment against the existing social order is of little use, if its evils admit of no remedy. As I do not believe in a gospel of despair, perhaps I may be allowed a few words to explain why it does not seem chimerical to hope that the benefits of industrial emulation may be secured without the evils of reckless competition. Under the *régime* of armed force, the feeble commonalty were driven to 'commend' themselves to some lord who would protect them against all oppression but his own. The modern capitalist is equally master of the situation in regard to the working class, each of whom, to earn a living, must enter the ranks of the 'employed.' The 'man' of the feudal lord had to fight for his master, the 'man' of the capitalist must work for his. But the king's peace was established at last between fighting barons; why should we despair of establishing the people's peace between fighting capitalists? It is true that the barons died out when they ceased to fight, and we do not regret them. They made way for the larger, more civilised middle class, which has practically governed the country since the Civil War. If capitalists ceased to fight for each other's spoils, perhaps they might enjoy the same euthanasia; but we should be consoled for this too, if the despotism of money made way for an industrial system demanding fewer victims, and administered amicably by the whole people in the interests of all classes alike.

The root of the difficulty is that our numbers have grown faster than our knowledge or feeling of the obligations imposed by social co-operation. It is troublesome to trace the indirect consequences of our personal actions, and we disclaim responsibility for the effects produced out of sight. But in the

medley, consequences are apt to get shifted on to the wrong shoulders, and the more we look at the industrial world, the more clearly does it appear as a harvest-field for the gathering of those who have not strawed. In a complex social state men's fortunes are not determined simply by their own doings and deserts. The individual capitalist has not acquired solely by his own merits or industry the wealth standing in his name; the individual pauper has not lost solely by his own guilt or indolence the means of independent existence. Society has helped the capitalist; it has kept alive for him a supply of cheap labour and skilled labour, sufficient to produce a surplus beyond his wants—however lavishly conceived—available for accumulation; society protects his accumulations, and has determined (especially since the accumulations became large) that they shall be practically exempt from taxation.¹ Society has not helped the pauper. In modern England it has given the poorest class a smaller share than anywhere else of common property to eke out the earnings of unskilled or unlucky labour, and it has put the labour market at the mercy of speculation.

A social war would not right the wrongs which a state or social or economic war has produced; but a revolution may yet be effected in the minds and consciences of the community, which will find its expression in a radical reformation of the theory and practice of the economic world. What we want is, on the part of the many, more wisdom in discerning, more firmness in demanding, their just rights; on the part of the few, more wisdom in discerning, more courage in discharging, their just obligations. Each step forward on either side will make the next step easier for both, and as the few and the many draw together, the distinction between the two classes will cease to be that between workers and spenders. There will always be a few whom the democracy will delight to honour above the rest, but these few will be those whose services to the common good outweigh and outnumber the services of their fellows, not those whose only cleverness is to have appropriated to themselves the largest share of the collective earnings.

¹ To 'tax capital' is to discourage commercial enterprise.

APPENDICES.

A.

INCOME AND EXPENDITURE OF THE UPPER AND MIDDLE CLASSES
SINCE 1800.

Between 1841 and 1881, the population of England and Wales increased 40 per cent., and the numbers of taxable incomes had increased some 300 per cent., a strong proof, it might be supposed, of the increased diffusion as well as the growth of national wealth. But if we divide these incomes into three classes, representing, according to the current ideas of income-tax payers, respectively poverty, competence, and wealth, we reach the conclusion given in the text. Incomes under 500*l.*, represent what is considered genteel poverty; these incomes have more than trebled; incomes between 500*l.* and 5,000*l.* represent different standards of competence; these have more than doubled; incomes from 5,000*l.* to 10,000*l.* represent wealth, and these have about trebled; incomes between 10,000*l.* and 50,000*l.* have nearly quadrupled, and the number of millionaires with incomes of 50,000*l.* and upwards have increased eightfold: this only means an increase of 60 in the number of millionaires.

Incomes between—

| £ | | 1843 | 1879-80. |
|----------|---------------|---------|----------|
| 150 and | 500 . | 87,946 | 274,943 |
| 500 „ | 5,000 . | 17,990 | 42,927 |
| 5,000 „ | 10,000 . | 493 | 1,439 |
| 10,000 „ | 50,000 . | 200 | 785 |
| | over 50,000 . | 8 | 68 |
| | Total . | 106,637 | 320,162 |

It must be remembered that incomes of 300*l.* to 500*l.*, represented more ease in the forties than in the eighties; and also that the diminution in the proportion of larger, but still comparatively moderate, incomes, has taken place in spite of the tendency to divide large fortunes made in trade amongst the children.

Other indications show that, taking the nation as a whole, expenditure on superfluities is not gaining ground as fast as might be expected from the growth of the national income. In 1841 the number of female indoor servants employed was about 1 in 15 of the population; in 1881 the number of indoor servants, both male and female, was 1 in 22. The proportion formerly prevailing for the whole country was only reached in London, the great centre of

residence for the money spenders of the whole kingdom. Of these so-called women servants nearly 100,000 are under 15, so that the list includes every girl who minds the baby in households little richer than her own. In 1831, the maidservants were about 1 in 14. Before that date we have no complete record; Pitt's unpopular tax on maidservants was assessed on 90,000 households, but girls were exempt, so that it is impossible to estimate the number of women-servants as accurately as the men: the latter, however, is a better measure of wealth. All our authorities for the social life of the 18th and early 19th centuries, agree in indicating that household establishments generally were on a larger scale in proportion to income than they are now.¹ In 1812, out of a population little over 10 millions, taxes were paid for 295,854 men employed in domestic and other services, a number exceeding that given in the last census (244,391) for a population 60 per cent. larger; and the decrease is mainly in the number of indoor servants, kept from fashion, luxury, or ostentation. The increase in the number of persons paying tax on armorial bearings has just about kept pace with the increase of population.

B.

AGE, SEX, AND EMPLOYMENTS OF THE WORKING POPULATION.

In the first census of 1800 the only distinction drawn is between 'persons chiefly employed in agriculture' (1,713,289) and those employed in 'trade, manufactures, or handicrafts' (1,843,353)—in all, 3,556,642 employed, and 4,873,103 children, women, and persons living on their means without work. In 1811 and 1821 the classification is by families:—

| | 1811 | 1821 |
|---------------------|-----------|-----------|
| Agricultural . . . | 697,353 | 773,732 |
| Manufacturing . . . | 923,588 | 1,118,295 |
| Others . . . | 391,450 | 454,690 |
| Total . . . | 2,012,391 | 2,346,717 |

In 1831 a separate account was given of the 'occupiers of land,' of whom 144,600 did, and 130,500 did not, employ labourers. In the same year a fresh heading was given of 'capitalists, bankers, professional, and other educated men,' who numbered 185,187, or with the employing occupiers, 329,787. In 1851 there were, in round numbers, 133,000 farmers employing labour to 87,000 master manufacturers and others doing the same; the proportion of indus-

¹ In other words, large and moderate incomes served to maintain directly a larger proportion of the population than now.

trial employers would naturally be smaller at the earlier date, so 400,000 would be a fair total for the moneyed, professional, and commercial classes. When shopkeepers and unclassified avocations are added, there is no reason to doubt that all these with their families formed, in 1831, as large a proportion of the whole community as that assigned by Mr. Dudley Baxter in 1867 to the upper and middle classes—viz., 5,000,000 out of a population of 21,000,000, or rather less than a quarter of the whole.

In 1851 (and unfortunately not since) 'masters' were requested to return themselves as such, stating the number of men they employed. The result showed 129,002 masters employing 727,468 men; of the former 41,732 employed no men, the remaining 87,270 averaged 8·3 men each. More than half the men (378,127) were employed by masters with 30 or more men, and more than a quarter by 752 masters who had 150 men or more. 1,142 might be called 'large employers' with 100 hands and upwards. Out of a total of 225,318 farmers (to 665,651 labourers) 91,698 employed no labour; and 2,073 might be called 'large farmers' employing 20 or more labourers. Since 1851 this useful kind of information has been withheld, and we have instead an elaborate classification of persons 'working and dealing' in all sorts of animal, vegetable, and mineral substances. It is, therefore, impossible in the returns of the last census to distinguish clearly between workers and dealers, or between master manufacturers and their employés. The number of farmers has fallen off, and the proportion of masters to men in other callings has certainly not increased. It has probably diminished very much, as the average number of hands to an inspected factory (of which there were 6,703) in 1878 was 158, while in 1851 only 752 masters employed over 150. We shall, therefore, certainly not be understating the numbers of the employing class if we suppose it to have increased since 1831 at the same rate as the population, or about 50 per cent. The number of shopkeepers has to be arrived at also by inference and comparison, but the analysis, which was begun without any *parti-pris*, has led to a result so nearly resembling that of Mr. Dudley Baxter, that the details would probably be accepted by any one to whom that gentleman's conclusions appeared satisfactory. The total population of England and Wales is made up as follows:—

| | | |
|---|-----------|------------|
| Men and boys following some occupation | . . . | 7,783,646 |
| Women and girls | „ „ „ | 3,403,918 |
| Unoccupied (including all young children) | . . . | 14,786,875 |
| Total | | 25,974,439 |

The number of what may be called middle-class workers may be analysed as follows :—

| MEN | |
|--|------------------|
| Professional | 265,000 |
| Clerks, &c. | 250,000 |
| Farmers | 200,000 |
| Manufacturers (large and small) | 360,000 |
| Warehousemen, shopkeepers, hotel-keepers, and dealers in drink | 750,000 |
| Sundry self-employed workers and all not otherwise classed | 370,000 |
| WOMEN | |
| Professional | 200,000 |
| Commercial, &c. | 150,000 |
| Total middle-class workers | <u>2,445,000</u> |

Retaining Mr. Dudley Baxter's proportion of 2 workers to 3 dependents in this class, this will give us a working middle-class population of 3,667,500. To this must be added the 'unoccupied' class, containing

| | |
|-----------------|----------------|
| Men | 180,000 |
| Women | <u>550,000</u> |
| Total | 730,000 |

A larger proportion of dependents may be allowed in this class notwithstanding the smaller average size of families; if we allow 2 to 1 instead of 3 to 2 the total middle-class population will be 5,127,500, and if we allow 3 to 1, 5,757,500—in any case between 5 and 6 millions.

Belonging to the wage-earning or manual-labour class there are rather over $5\frac{3}{4}$ million men and boys, and over 3 million women and girls. Not quite half a million of these are children under 15. Of the men about half are labourers or in some kind of service (road, railway, &c.), the remaining half are miners or follow some kind of trade, or the miners may be taken separately at half a million, leaving the labourers as the largest class. About half of the 3 million women are engaged in domestic and half in industrial work. The proportion of dependents to workers has increased, doubtless owing to the effects of the Education Acts in discouraging the employment of very young children, so that the $8\frac{3}{4}$ odd millions of manual workers represent not $17\frac{1}{2}$, but somewhat over 20, millions. The number of married women who work seems to correspond roughly with the number of single women who do not work. Out of the $4\frac{1}{2}$ millions of working-class

families probably three-quarters of a million depend upon the labour of a working mother (widowed, or otherwise thrown on her own resources), at least half a million partly on the labour of a working wife, whose earnings go to supplement her husband's, and half a million, as already stated, on the labour of children under 15 whose earnings go to supplement those of one or both parents. If we allow also for the unmarried adults who are counted as separate occupiers, it will be seen that not more than half the whole number of working-class families are maintained by the labour of the father assisted only by elder children.

C.

COMPARATIVE MORTALITY OF RURAL AND URBAN DISTRICTS.

In 1837, when the population of London (with $\frac{1}{100}$ of the area) was almost the same as that of the five south-western counties, the mortality was 53,597 against 34,074. The same districts in the following year showed a difference of nearly 30 per cent. against the capital, and the mean duration of life varied as from 37 in town to 50 in the country. A similar comparison between various urban and rural districts showed the number of septuagenarians to vary from 53 per 1,000 in Manchester to 210 in the Lake district. In 1851 the deaths per 1,000 averaged 24.9 for urban and 19.5 for rural districts, while the mean duration of life was 45 years in Surrey, and 25 in Liverpool and Manchester. In 1881 for an urban population of $15\frac{1}{2}$ millions it was 20.3 per 1,000, and for a rural population of $10\frac{1}{2}$ millions it was 16.8. The discrepancy between the two rates has been reduced, but the result is much the same when the smaller percentage is taken on the larger number. If the whole mortality of the century is put at 30 millions, and a mean 5 per cent. allowed on two-thirds of it for deaths, due simply to the mortality of towns, we have the record of 1,000,000 lives—twenty times the whole present annual mortality of England and Wales—sacrificed to one single incident of the progress of our industrial civilisation. The meaning of these figures will be better realised when it is stated, as the result of inquiries made in various elementary schools and answered by between 6,000 and 7,000 children, that 14.5 per cent. of the children had lost either father or mother, *i.e.* that 96 in every thousand are fatherless and 49 in every thousand motherless. The fault lies, not in the towns, but in the conditions of town life for the poor; in the Mayfair sub-district of S. George's, the last recorded rate of mortality was 11.34 per thousand, while that for the whole parish was only 15.7, or less than the general rural rate.

D.

MORTALITY IN WORKHOUSES AND HOSPITALS.

In 1881 the deaths in workhouses, hospitals, infirmaries and public lunatic asylums—excluding prisons, almshouses, schools, private lunatic and benevolent asylums—were 53,187 out of 491,935—or over 10 per cent. of the total mortality of England and Wales. Of this 7 per cent. took place in workhouses, 2·8 per cent. in hospitals, and 1 per cent. in asylums. If we put the mortality at 20 per 1,000, the families connected with those who thus die in public institutions would number 2,659,300, or supposing the mortality to be higher in this class, there is at least a population of $2\frac{1}{2}$ millions presumably in direct contact with public charity besides the three-quarters of a million persons in health who receive parish relief indoors or out. The increase in the number of workhouse inmates as shown by the census is about equal to the general growth of population between 1851 and 1881; the inmates of hospitals and lunatic asylums have increased more than in proportion, but this only indicates a larger provision for existing evils, not necessarily an increase on the evils themselves.

E.

PAUPERISM NOT RESTRICTED TO ANY CLASS OR CALLING.

The report of a refuge published the other day enumerated amongst the persons sheltered, graduates of a university, a B.A., doctors, men of business, a builder, chemists, accountants, clerks, engineers, watch-makers, jewellers, compositors, governesses, dressmakers, milliners, mantle-makers, &c., and it is only a fair sample of such records.

F.

THE RATE OF WAGES.

Mr. Dudley Baxter's total is arrived at by taking a supposed normal or average rate of wages in each important industry, multiplying by the number of persons returned under that head at the census, and knocking off 20 per cent. for all causes of loss, want of work, sickness, or low wages. It is assumed, that is to say, that every man working at a trade in which a man, when at work, may ordinarily hope to earn 1*l.* a week, does actually earn not less than 4*l.* 10*s.* in the year, or a real average of 16*s.*—and the whole structure rests on this hypothesis. According to Sir Andrew Clark, the loss of time from sickness averages 9 days per annum among members of benefit societies; the army and navy show nearly double that, and allowing for absences too short to make it worth while for the

member to 'go on his club,' a fortnight's loss from this cause would probably be the average *minimum* in the picked and provident class; a reduction in the average wages of 4 per cent. must therefore be made on account of sickness only. The loss of earnings from 'out of work' is more incalculable. Naturally many men return themselves as 'unemployed' at the census; but as this circumstance has nothing to do with any animal, vegetable, or mineral substance, it is put aside as unimportant, and all who are out of work are nevertheless complacently registered as 'working or dealing' in one of the favoured elements. The out-of-work benefits paid by trade societies cannot be relied on either, as their rules vary; while the unionists are not only a picked minority, like the members of benefit societies, but also belong, as a rule, to trades in which employment is less precarious than in the ranks of unskilled labour. Falling back on common experience, it would certainly not be an exaggeration to say, that at any given time for one family in distress owing to the illness of the bread-winner, there are three in distress owing to the want of work.¹ At this rate, Mr. Baxter's 20 per cent. would be swallowed up by these two causes only. But we have also to allow for money not earned owing to untimely devotion to S. Monday; for economists must not, at the same time, scold working-men for wasting their time and for wasting the money which the waste of time has prevented their earning. I will not attempt to estimate the loss from this cause; but it is certainly large, and promoted by all the social evils which promote intemperance and improvidence. But the most important element of all is simply the prevalence of low wages, the immense variation of earnings between persons working nominally at the same trade. Mr. Baxter recognised this expressly in the case of

¹ Since the above was written, I have had access, through the kindness of Mr. Eric Robertson, to returns made by a number of Board School teachers respecting the number of children whose parents were out of work. Out of 6,438 children questioned, 1,299, or over 20 per cent., had fathers out of work; and this is an under-statement rather than not, as the whole number of children in the infant school is included, though many of the younger ones were naturally unable to answer the question, and no mention is made of widowed mothers out of work. The return was prepared about midsummer, when the proportion of the unemployed is at its lowest. Quite recently one of the by-laws officers of the School Board reported that 25 per cent. of the fathers of children attending a Lambeth school were out of work, and 18 per cent. had no regular work at any time. And a similar report respecting an Islington school, in the *Sanitary Record* (January 1885), gives 30 per cent. as the number of children whose fathers have 'little or no work'; 25 per cent., therefore, is a moderate estimate for the average proportion of the very poor out of employment, and, considering the numbers of this class, 15 per cent. is obviously a very moderate estimate for the average number of unemployed throughout the country.

London dock-labourers, silk weavers, and sloop cabinet-makers, whose earnings, he knew, often did not exceed 5*s.*, 6*s.*, or 7*s.* 6*d.* weekly ; but his calculations made no allowance for this fact. There is no sufficiently large class of, *e.g.* cabinet-makers, earning 3*l.* a-week to make up for the large class liable to earn 7*s.* 6*d.* The number of workers who get materially more than the normal standard of the trade is always small ; the number earning materially less is always very large. The real average wage even of those at work is, therefore, much below what is set down as the current rate in the trade ; and we should therefore take more than 20 per cent. off a much reduced total to get at the real gross earnings of the class.¹

But though the statistics of different dates respecting current wages may be all alike misleading as a guide to real net earnings, if they err in the same way, a comparison between them may give a fair indication of the rate of progress. So it is possible enough that the ordinary rate of wages for carpenters, masons, bricklayers, and miners may have risen, as indicated in Mr. Giffen's table.² The exact average for these trades is 57 per cent. In the cotton trade before the Factory Acts, the employment of children had brought wages down to starvation point, and the fact that this evil, after reaching an intolerable height, was reduced by legislative and other influences, hardly justifies our quoting as progress the change from things when at their worst. Mr. Giffen adds a further 20 per cent. to the workman's earnings on account of the reduction effected in the hours of labour, but leisure and income are not quite the same, and a retired capitalist does not count as property the profits he might have earned by continuing in business, so I have only taken account of the money gained.

G.

COMPARATIVE RISE OF RENT AND WAGES.

In 1840 a report was published in the Journal of the Statistical Society, giving the results of personal visits and inquiries at over

¹ In Porter's *Progress of the Nation*, real average earnings are given in the case of a few factories and foundries ; but few employers are willing to give this kind of information, and it may be taken for granted that any who give it do *not* give the lowest rate of wages. To illustrate the difference between the average wages, estimated in good faith, and the real average earnings, I may quote two pieces of information given by the manager of a Scotch factory employing 2,000 hands. In answer to a question about the women's earnings, my informant was told : ' Oh, they earn about 10*s.* or 11*s.*' It was also stated that the weekly wages paid came to 800*l.* or 900*l.* : say 850*l.* ; and divide by 2,000, and we get a real weekly average of 8*s.* 6*d.*, or 25 per cent. less than the lowest estimate of the average standard rate.

² *Progress of the Working Classes*, p. 5.

5,000 working-class dwellings in the neighbourhood of Tothill Street, Westminster. It might have been written yesterday as regards everything except the rents of the tenements described. Nearly four-fifths consisted of single rooms, with rents ranging apparently from 9d. to 3s. 6d. weekly; one-fifth of two rooms, rents mostly between 3s. 6d. and 5s. 6d., and an insignificant minority of three and four rooms, with rents from 5s. 6d. to 8s. 6d. The dimensions of most rooms were twelve feet by fourteen, or less. The average rental for the lot was 2s. 11d. It may be taken for granted that the average earnings of workmen in Westminster were not then as low as 12s. a week, and at that time therefore less than a quarter of the wages went in rent. A somewhat similar inquiry was undertaken by the *Pall Mall Gazette* a year ago in another part of Westminster (the neighbourhood of Berwick Street, Soho): 763 tenements were visited in 164 houses, the sanitary condition of which was classified as follows: thirty-three good, fifty-one passable, fifty-six bad, and twenty-four abominable. The rents of these dwellings, half of which were materially unfit for habitation, averaged 4s. 9d. for single room tenements, of which there were 376; ¹ 7s. 6d. to 10s. was the common rent for two rooms, the second often little more than a cupboard. The highest rent given for three- or four-roomed tenements is not mentioned, but 1l. a week for such accommodation is by no means uncommon (I have known of 7s. 6d. and even 10s. being paid for a single room). If we suppose the two rooms to average 9s. each, and the sets of three or four rooms 15s. each, both of which are moderate estimates, the general average rental would be 8s. 2d., or nearly three times as much as that recorded forty years before. Now supposing the average wages of the tenants had risen 50 per cent., say from 18s. to 27s., the available income will only have risen from 15s. 1d. to 18s. 10d., or about 20 per cent. The rents in Soho are, it is true, exceptionally high, but, on the other hand, the proportion of skilled workers is also above the average, and I have therefore put the earnings above Mr. Dudley Baxter's otherwise questionable figure.

This proportion between wages and earnings is not peculiar to the West of London. It is not true that the working classes prefer herding together in over-crowded dens; and the proof is that where rents are lower than here, the people do not spend a smaller proportion of their wages in house-rent, but they occupy more rooms.² My

¹ Widows maintaining a family by their work are particularly numerous in Soho, and more than a third of the occupants of single rooms are described as laundresses, charwomen, and seamstresses.

² Inquiries made in twelve schools, of nearly 8,000 children, showed that 26.6 per cent. were living in single rooms; but that this overcrowding is a

own experience had led me to this conclusion, and it was entirely confirmed by figures kindly communicated to me by Mr. T. Marchant Williams, whose letters to the *Times* on the over-crowding of the poor will be remembered, and whose position as an officer of the London School Board gives him peculiar facilities for arriving at the truth. In the poor part of Finsbury, to which his inquiries referred, rents are lower than in Soho, and accordingly, out of nearly 1,000 tenements examined by him, nearly two-thirds consisted of two or three rooms, and only one-third of single rooms. The rents ranged from 1s. for a single room (a figure now unknown in Westminster) to 18s. for three rooms, with an average of 3s. 6d. for one room, 6s. for two, and 7s. 6d. for three. Of the tenants of these rooms 46 per cent. (nearly half) paid from one-quarter to one-half of their wages in rent, 42 per cent. paid from one-fifth to one-quarter, and only 12 per cent. paid less than one-fifth. The average rental paid was 5s. 6d. The actual rent of the Soho rooms was about 30 per cent. of the estimated wages, and the actual proportion of rent to wages, as stated in Finsbury, cannot give a lower average percentage than that. We thus learn indirectly that the wages of the workers¹ occupying these 5s. 6d. apartments average about 17s. weekly, of which 11s. 6d. is available for food, clothes, fire, and all other necessaries. Obviously the increased rent must make as large a hole in whatever increase of wages there may have been in North London as it does in Westminster. Nor is the east more fortunate than the west and north. There is a street full of mangy cottages off Whitechapel Road known as Plumber's Row, mainly inhabited by working tailors; the cottages consist of three dilapidated rooms with a half-underground kitchen and sometimes a workshed in the back yard. The rent of these *cottages ornés* is 1l. a week, and the inhabitants are not worse off than their neighbours; in fact, generally the inhabitants of the slums pay about as much per cubic foot of living room as the inhabitants of Eaton Square. Rents in Southwark are nearly as high as in Westminster, while wages are lower.

These rents have a double influence in reducing wages, for the employer of labour has to pay at the same rate, and therefore has question of rent was clearly shown by the fact that in the comparatively suburban region of Deptford, at one of the poorest of the schools examined, the percentage was only 13·7, whereas, in three neighbouring schools in the heart of London (Vere Street, Tower Street, and Drury Lane), the percentage was 51·4. In one department of one school, three families of nine persons were reported as occupying each a single room.

¹ Costermongers, cobblers, tinkers, widows, and itinerant street sellers of all kinds, form nearly half the population of the district to which these figures refer.

the less to spare for his workers' wages. The tailors who pay 1*l.* a week or more in rent are little working masters employing five or six hands, and if the accommodation they get were valued by its quality instead of its scarcity, these rents would be at least halved, leaving an extra 2*s.* weekly available for every worker employed. This rent question affects our calculations about the distribution of the national wealth in yet another way. Most statisticians take the rateable value of house property as a guide to the rental,¹ and suppose the working classes to occupy the low-rented houses. Mr. Leone Levi considers with truth that 12 per cent. of the income is a reasonable amount to spend in rent, and he concludes that something like this proportion is approximately spent by the working classes because the estimated rental of houses under 20*l.* comes to something like the same as 12 per cent. on the estimated collective income. But in the statistics of the *Pall Mall Gazette* the actual rental and the rateable value of the tenement houses in Soho are given in twenty cases in which the rental ranges from 234 to 307 per cent. of the rateable value. These are extreme instances, but tenement houses are the rule in large towns, and it is the rule for the rental of such houses to exceed the rateable value—by any amount up to 300 per cent.—as well as for the rateable value to exceed 20*l.*

H.

HOURLY HIRINGS.

Sir Henry Cole boasts, as an economical public servant, that in 1848 he introduced the plan of paying bookbinders by the hour, much to the satisfaction, he observed, of the Treasury, as it 'gets rid of loss of time and superannuation'; and he claims that this example helped to introduce the same system in the building trades.

I.

STATE HOUSEKEEPING.

The most flagrant example of 'political economy' or State housekeeping run mad, is afforded by the War Office and other departments of the Government as employers of labour. Gentlemen, very likely incapable in their private capacity of refusing to give 'a fair day's wages for a fair day's work,' conceive it to be their duty as public servants to have the clothing of soldiers, sailors, and policemen made by contractors who can only compete successfully with a Government factory by subletting at prices which make army

¹ *Work and Pay*, 1877.

contract work a by-word as a trade of the destitute. If by the help of the pauper labour of starving women, the contractor is after all able to undersell the factory, our administrators think it statesmanlike to assume that the factory pays too much; how little it sometimes pays may be seen in the *Women's Union Journal*, Dec. 1884, where a statement that women in the Army Clothing Factory earned 7s. or 8s. a week, is corrected by the account of six weeks' actual earnings, averaging 4s. 7½d. Of course machinists and other skilled hands fully employed earn more than this.

K.

EMPLOYERS' LIABILITY.

An appeal was lately made by Mr. Frederic Harrison on behalf of workmen injured while removing a dangerous wall after the fire at Mr. Whiteley's in Westbourne Grove. The contractor by whom they were employed refused compensation, and appealed against a verdict which gave the men 20l. The contractor was very likely in no way to blame for the fall of the wall, and if so, the men injured in rendering a direct service to the public, have no remedy. Even the insurance offices would rely on the unhealthy state of public feeling, and not allow Mr. Whiteley to count among his losses through the fire, proper compensation to the men who helped to minimise its destructiveness.

Loss or Gain of Labourers in Rural Districts.

BY W. SAUNDERS.

As it would be impossible to include in one brief paper all the points that must be raised in the consideration of this question, I propose to confine myself mainly to the condition of the agricultural labourers and small working farmers in a district of Wiltshire with which I have been personally acquainted for the last fifty years.

The wages prevailing in 1835 were 7s. per week, with certain allowances from the parish for men with large families. Meat and potatoes were then half the present price. Bread was the same price as it now is, although it has been much dearer since.

For a short period the wages were reduced from 7s. to 6s. per week, and I well remember how the reduction slackened the slow pace of the labourers, and that they constantly checked each other, saying, 'Anyhow, we are doing enough for a shilling a day.' If the men had been ever so willing to work, it would have been impossible for them to do much, for they were half starved. Sometimes their manifest weakness was such, that when they came in the morning the farmers, seeing their condition, served them out something to eat. But it never occurred to any of the farmers in the neighbourhood that it was as unwise as it was cruel to keep men constantly on the verge of starvation. Better paid men would have done the work quite as cheaply.

The cruelty was the more blameable because the farmers had enjoyed many years of great prosperity, and were generally rich. But no thought ever seemed to enter their minds but that of cutting down wages to the lowest point. I did not know then, but I know now, that the pale-faced men who became ill and died were starved to death. No doctor ever certified to that effect, but such was the case.

This general state of starvation was mitigated in many cases by sheep stealing and poaching, and in others by keeping cows, donkeys, or geese on the waste lands in the neighbourhood. None of these things are now possible. Honesty has been both taught and compelled; the county police have stopped sheep stealing; the gamekeeper has put an end to poaching; and the Common Enclosure Acts of 1845 have enabled the landlords to add to their holdings every inch of waste land by which the poor used to benefit. The progress of law and order has been felt by the poor solely in deprivation.

The wages now are 10s. per week, as compared with 7s. fifty years ago; but, as a set-off, the poor have lost the game and mutton broth which they used to get; meat is twice as dear, potatoes are twice as dear, common lands are enclosed. These deprivations swallow up the 3s. per week, and leave them, as far as material support is concerned, as nearly as possible where they were, but in other respects their condition is distinctly worse. The depressing

influence of overstrained 'order' bears very hardly upon a population having few interests in life. Every inch of ground on which children used to play is now taken from them. Even in the market-place their games are often stopped by the policemen; the most attractive footpaths are closed. Nut-gathering is out of the question, and a child can scarcely gather a blackberry without the fear of a policeman's hand on his shoulder.

That this is no exaggerated picture, let me state that a few months since a respectable working farmer was summoned before the magistrates at Devizes, and fined 10s. 6*d.*, with costs, for 'damaging underwoods to the extent of one penny.' The farmer occupied a field adjoining a wood, from which game constantly issued and damaged his crops. Upon taking his cows to feed on a Sunday morning, he stepped three yards into the wood, which was not protected by a fence, and gathered a handful of nuts. Although he had suffered a thousand times more damage from the lord's game than the lord suffered by the loss of the nuts, and although in his young days he would have been permitted to gather the nuts with impunity and without a thought of wrong, yet the farmer was summoned and fined as stated.

If boys venture on a game of rounders in a field and a beaver hat approaches, they will huddle into a heap and try to look as if they had been doing nothing.

These oppressive restrictions are, I believe, largely responsible for the fact that young people leave the country as early as they possibly can, and add to the already congested condition of our cities.

In the neighbourhood to which I refer there are a number of small corn mills. The working millers were paid 16s. per week fifty years ago, when labourers received 7s. Their condition then afforded a striking contrast to that of the labourer, and they were enabled to save money and provide for a comfortable old age, which some of them are now enjoying; whereas there is not, I believe, one man who was a labourer forty years ago who is not either dead or has not long since become a pauper.

But the prosperity of the corn millers has ceased. The im-

proved methods of making flour have destroyed the value of these mills.

The only other class of workers in the neighbourhood are the small working farmers, occupying five to fifteen acres of land, on which they grow corn and vegetables. There have always been twenty or thirty families of this class, who have worked much harder than the labourers, and lived somewhat better. These men have a struggling existence, but almost always manage to pay their way, and a few of them have saved something. Of late years, many of the large farmers have failed whilst the small working farmers have held their own, although paying two or three times as much rent as the large farmer.

Unfortunately, the whole district has been under the control, for several generations, of landlords who have constantly discouraged the small working farmer. They have done so under the mistaken and unjust idea that if working-men are allowed to have land on the same terms—or nearly the same terms—as large farmers, labour will not be obtainable. Even now, although the large farmers are giving up their farms, and thousands of acres of land are actually unoccupied and grow nothing but weeds, the landlords will not abandon their policy of refusing land to working-men on the plea that they ought to remain labourers.

They insist upon charging working farmers for small quantities of land 3*l.* and 4*l.* per acre, while they are willing to let to large farmers at 20*s.* per acre. Experience has shown that working farmers, by living hard and working hard, can subsist and pay this heavy rent; but, of course, they do not, under such circumstances, realise a fair return for their industry, neither can they make suitable provision for old age. Take the case of a hard-working man occupying ten acres of land for thirty years, paying 4*l.* per acre rent, he pays at least 25*l.* a year more than a large farmer is charged for the same land. If half of that amount was added to his family expenditure, it would relieve his household from that condition of semi-starvation to which they are now subjected; and if the other half were saved and invested at 5 per cent., it would amount to 848*l.* at the end of the thirty years. It must be borne in mind that

each of the small farmers of whom I have spoken has actually produced from the soil the amounts we have stated, but it has been taken from them by a system instituted by landlords for the supposed benefit of themselves and their farmers.

It is this system which is responsible for the wretched poverty and want of employment which prevails. The land does not fail to yield a due reward to labour. Labourers in abundance are upon it, and labourers whose only desire is to work—labourers who are content to work hard and to live hard, in the sense of living upon very little; but the owner stands upon the land, and says to such a man, ‘This land which you want shall remain idle unless you pay me 3*l.* or 4*l.* per acre per annum, and I would rather let it to a large farmer at 20*s.* than to you at 3*l.*,’ and the land remains idle. For five or six years past thousands of acres of excellent land in the Pewsey Vale has been kept idle under this system—has produced nothing to the landlord, nothing to the farmer, nothing to the labourer. Every ten acres of this land will maintain a family in abundant comfort, but the families are driven away, and the land grows weeds to the injury of the cultivated land around it.

With what feelings must a small working farmer pay 60*l.* to a landlord for fifteen acres of land, when the same landlord allows better land to remain absolutely unoccupied? When land is farmed in the usual manner by large farmers, the expenditure upon it for labour does not exceed 30*s.* per acre per annum, and this is especially the case where, as often of late, three or four farms have been thrown into one. A large portion of this land might give employment to labour to the extent of 10*l.* per acre per annum, and it does so under a system of family agriculture, where a house is placed in the centre of a few acres of land, and each member of the family finds congenial and healthful occupation.

It is useless to say that such things cannot be done, for these results are now obtained, and have been for a hundred years past, as we have shown, in many cases, but the proceeds are absorbed by the unjust exercise of landlords’ powers for the express purpose of keeping the people in actual slavery.

There is one circumstance in connexion with the locality to which I refer which has exercised so serious an influence that it would be impossible to omit all reference thereto. One of the largest landowners is the son of a man who purchased an enormous quantity of land in the neighbourhood, and after getting into debt wherever he could, especially to the small working tradesmen in the neighbourhood, he stopped payment—kept all his creditors without a penny for seven years, and then compounded for a payment of five shillings in the pound.

Many hard-working men, successful previously as hard-working tradesmen, have never been able to lift their heads since that time, but the land remains in the family of the defaulter, and the rents which ought to have paid just debts have been continually squandered in luxury, instead of being employed for justice.

This is one instance amongst many of fraud according to law, and it has a direct bearing upon our subject in this way—when struggling tradesmen are thrown back into the ranks of labourers the working-men are more crowded, and the fair distribution of wealth is prevented by the operation of unnatural laws made by landowners in their own interests.

The question we are considering assumes that there has been an increase in the products of industry within the last hundred years. How enormous that increase has been it is not the object of this paper to point out in detail. That the community in general should profit by that increase is obvious, and that the benefit would naturally be universal goes without saying.

But so far as the working classes are concerned, in the locality to which I am referring this benefit has been wholly intercepted. They have been entirely deprived thereof by having their industry checked and its proceeds confiscated by the unjust and unnatural interference of those who wield over the working classes of this country a power greater than that exercised by the most despotic government in the world. In no other country in the world does landlordism hold such despotic sway as in our own. The crushing influence which it exercises upon the working classes is shown in the fact that

honest, industrious, hard-working men are starving in the midst of plenty.

That wages of 10s. per week mean starvation is obvious from the fact that a family of five persons cannot be kept in food alone in our workhouses for less than 15s. per week. This crushing influence starves our working-men, drives them forth from their native villages, and compels them, too, unwillingly to seek work elsewhere. Thus the whole race of workers throughout the kingdom are subjected to unjust competition and deprived of the wages they would otherwise obtain. For more than a hundred years we have borne this, and during that period the rapid development of manufactures and commerce has brought a flood of prosperity. We cannot suppose that this prosperity will continue much longer. Great as it has been, we have seen that in reference to purely agricultural districts its influence has been wholly counteracted by landlordism, and the incubus which landlordism has proved to agriculture is rapidly undermining our agricultural industry. At the present moment even our villages are supplied with bread, meat, cheese, and butter from abroad, while our own lands are untilled and our own labourers idle and half-starved.

Over what extent of country the condition of things which I have described prevails I do not pretend to state. I have detailed only what I know from personal experience. That it exists over a large portion of the South of England I have good reason to believe. That even a more dreadful state of things prevails in many parts of Ireland I have seen. That Scotland is suffering in a similar manner we all know, and that districts which are now better off will soon be reduced to a similar state there can be little doubt.

While all this distress prevails, Wiltshire landlords import fox cubs and turn them loose by the score, to destroy the hen roosts of the poor and lessen their present small chance of getting a living. If there be the slightest justice or common sense in allowing this state of things to continue, I fail to see it. It is useless to say, 'We object to interference; leave things alone.' The present state of affairs is the result of interference. Landlords have no industrial title to the land, which

they never made or improved, and in many cases never saw. Their title is purely legal. Let the Government leave matters alone, and not another sixpence of rent would landlords get. Twenty-five thousand men are now required in Ireland to collect rents, and this number may soon have to be increased.

A revolution to bring about justice I believe to be unnecessary, such as some people are looking for and others evidently apprehend; but it must be remembered that a revolution has no terrors for those who cannot, whatever happens, suffer more than they are suffering now. This suffering class is increasing, and has assumed dangerous proportions. It is, I hold, the object of this Conference to discover how a catastrophe which is evidently imminent can be averted, and how a state of things distressingly unjust can be corrected.

Skilled and Unskilled Labour in the Shipbuilding Trade.

BY J. LYNCH.

WHAT I have to say on this subject applies directly to the shipplaters and their assistants, commonly known as 'helpers.' The system of work and payment in use between these classes is one which involves a most unfair division of the wages earned, and subjects the helper to many grievous injustices besides the mere disparity of remuneration. The system I speak of is a mixed system of piece-work for the platers and time-work for the helpers, both being engaged conjointly on the same work. The platers being paid by result work at high-pressure speed, and the helpers, although paid by the day or hour, must of necessity keep pace with them. It will be easily understood how a helper who has no special incentive to exertion is made to keep up with the plater who has such an incentive, and I need hardly say that the means by which this is accomplished are demoralising to both plater and helper. They are nominally fellow-workmen, but they are actually taskmaster and serf. Those who are acquainted with shipyard work will know that these terms

as applied to plater and helper are not misplaced. To show the unfairness of the division of piece wages between these classes, I will make a comparison of their respective earnings when on piece and when on time.

In the recent busy period the helpers' time wage on the Wear was 4s. per day, and the platers' time wage was 6s. per day. The price for shell-plates requiring six men to work them was at that time not less, but in some cases more, than 10s. per plate. Taking that as the standard price, however, and basing my calculations upon the work done in a fairly well-regulated and well-appointed yard, I find that the receipts of helpers and platers on this work were scandalously disproportionate. Three platers working in company completed 18 plates per day, the gross result in money payable for the work being 10*l.* Out of this they paid 3s. to a boy, the remainder being left for division between themselves and the helpers, of whom there were twelve—two squads of six men each. To pay each of the helpers his day's wage according to the current rate 3*l.* were absorbed, leaving 5*l.* 17s. for the three platers. It will thus be seen that for the day's work each helper received 5s., while each plater received 1*l.* 19s.

This I affirm to be a fair illustration of the division of wages on this particular work, between platers and helpers. On other classes of work the disproportion is not so great, but there is no instance in which the plater does not receive at least three times as much as the helper, while in strict justice he is entitled to no more than three-fifths to the helper's two-fifths, that being the proportion usually found to exist between the time rates of each class. The disproportion of earnings I have referred to between mechanic and labourer when on piece-work would be a gross injustice, even supposing the conditions in connexion with an industry allowed full time to be worked. But in the shipbuilding industry the injustice and inequality are immensely aggravated, owing to the precariousness of the employment. Stoppages from various causes are of constant occurrence, and I estimate that in brisk times only four days a week can be worked, while in slack times the average does not exceed two days per week. The helpers' pre-

sent rate of wages is 4s. 6d. per day, and I am sure I am correct in saying that the helpers in employment in the North of England at the present time do not average more than 9s. a week.

So far I have been speaking of stoppages over which the men have no control, but in addition to these there are other stoppages which still further diminish the helpers' chances of obtaining even the semblance of a livelihood. The platers frequently lie off work for purposes of pleasure or dissipation, and sometimes two or three days together are lost in this way. The plater can make up for the loss when he returns, and he does this by driving still harder the helpers, who have no means of recovering their loss. The platers will not start work of a morning if there is any sign of bad weather to be observed, or if they cannot see a clear prospect of being able to make what they term 'a good day's work.' Both summer and winter they absent themselves from work during the first quarter of the day very frequently—as often as three or four mornings a week. All these abstentions are a cause of loss to the helpers, for the platers invariably refuse to pay them for lost time. When the plater stops off 'first thing,' the helpers, who are on the ground at six o'clock (or seven in winter time), have to wait till breakfast time, and then start for a three-quarter day, or perhaps for only a half or a quarter day, the wages always being strictly proportioned to the time worked. I will not say that there is not now and then to be found a liberal-minded plater who is willing to pay his men for at least a portion of the time lost through his fault, but such are rare exceptions, and if they do pay their men for lost time, they must do it secretly, to avoid the displeasure of the others.

Not to be unjust to any class, I must admit that the helpers are sometimes absent when the platers are present, but this need never be a cause of loss to the platers, as there are always plenty of the helper class on the ground to supply the places of absent men, while the places of the temporarily absent platers are seldom or never filled up. Some results of the vicious system I speak of are very painful to contemplate. There have lately been four busy years of shipbuilding. In that

time the platers and other workmen had ample means to provide for the future, but the helpers had no chance to make any provision for prospective hard times. Their earnings, seldom exceeding 1*l.* per week, and often under that, were barely sufficient to meet current needs. When the present depression commenced the helpers were already impoverished; it may be imagined what their condition is now when even the largest earners are destitute. Poverty, from which there is no escape, is not the only evil this system inflicts on the helper. It lowers his self-respect, it cripples his energies, it makes him slavishly subservient to the plater, and, I regret to say, in many cases, disloyal to his own class, and the general effect of it is to degrade him immeasurably in all respects, besides making his work very much more unpleasant than it need be. There is one yard on the Wear where the helpers are paid by results as well as the platers. On the shell-plating at this yard there were three platers working in company with twelve helpers, assisting them as at the other yard spoken of. The price here also was 10*s.* per plate, but it was divided thus:—6*d.* per plate for each helper and 1*s.* per plate for each plater. This was not strictly just, as the plater had more than his due proportion, but it was a sufficiently near approach to justice to satisfy the helpers perfectly. In this yard, owing to the helpers having a direct interest in their work, they became much more expert than others, and consequently did more work, completing on an average twenty plates per day. This gave them 10*s.* each for every working day, while to the plater it left 1*l.* per working day—a much more equitable division of wages than that which obtained in the other yard, where the helpers had 5*s.* 3*d.* per day and the platers 1*l.* 19*s.*

What is required to remedy the wrongs from which the helpers suffer is, that they should be paid by results whenever the platers with whom they work are paid by results, the proportion of the gross proceeds coming to each class to be adjusted according to their respective rates of wages when employed on time. There is nothing to prevent this being done generally excepting the resistance of the platers, and this has hitherto proved an insuperable obstacle. The reason

the helpers were paid by results in the case mentioned is, that the employer took a firm stand in their favour; but there is not the slightest reason to hope that other shipbuilders will follow this example. As a rule, they care not how the money is distributed so long as the work is done, and whenever a conflict has arisen in respect of this question between the helpers and the platers, they have taken sides with the stronger party. They take this course because in that way the conflict is soonest ended, and their work allowed to proceed. The shipbuilders will not move in favour of the helpers, and the platers will not voluntarily relinquish their unjust privileges. There is not the smallest chance, at least in this generation, of the helpers being able to conquer justice for themselves. They have tried to do so more than once, but have always failed, and the recollection of these failures will prove an effectual preventive (for many years to come at all events) to their making any further efforts. The chief cause of their failures has been the little difficulty met with in filling their places by importations of men from other districts. These men never know what they are coming to, being deceived by false representations, and when they come, their own necessitous condition usually compels them to remain. This must ever be the case as long as there is a large surplus of unemployed labour in the country. Under these circumstances I know of no way to remedy the helpers' grievances except legislation.

Hitherto all remonstrances that have been addressed to the Platers' Society have proved fruitless. If they would consent to meet the helpers by deputation before a properly constituted tribunal, with the understanding that after both sides were heard, and the facts of the case were fully inquired into, they would submit themselves to a decision, the matter could soon be settled. This, however, they have always refused to do, and I fear they will do so again, unless the request comes from some very influential quarter indeed. It might be tried, however, and their refusal would of course afford a stronger ground for legislation. The wrongs and the injustices I have spoken of must necessarily continue unless they relent, or until an Act of Parliament enforces recognition of the labourers' rights.

DISCUSSION.

Mr. JEANS (Secretary, British Iron Trade Association) said he did not think anyone would charge him with hostility to the interests of the working classes, or with any desire to withhold from them their fair share of what was due to them in that controversy. It was not the first time he had stood alongside the working-men of this country with a view to helping them in the settlement of disputes with their employers, where he believed that they had a just cause. Although he did not hold a brief for either capital or labour, he felt that a great deal had been imported into the discussion which was calculated to obscure what he held to be the real points at issue. The workmen, on the one hand, alleged that their wages were not quite so high as they might or ought to be, and had not risen to the same extent that the capital of the capitalist had increased. This, capitalists, or those who seemed to hold a brief for them, were disposed to deny. A little more than a month ago he read a paper before the Statistical Society, in which he endeavoured to show what were the real differences in the rates of wages in this country as compared with the leading industrial countries abroad. In the discussion which followed, Mr. George Howell complimented him on the candour with which he had put the case, and did not venture to contradict, on their merits, any of his figures. He had undertaken a great deal of research with a view to get at the real facts, and the statistics he had put forward showed that the average wages paid in this country had, between 1850 and 1880, increased to the extent of about 40 per cent. It was true that those figures only applied to certain selected industries, and that they were mainly given on the authority of Mr. Ford, the president of the Manchester Chamber of Commerce. But he found on looking at the paper prepared by Mr. D. Cunningham for the present meeting, that the average wages paid in a number of selected leading occupations for a period of something like thirty or forty years very much bore out Mr. Ford's figures. Those figures were extracted from the official records of the Dundee Harbour Trust, and might be taken as perfectly trustworthy. They showed that the increase of wages had been even greater than he had put it at. It was important, however, in dealing with this question, to compare that increase of wages in this country with the increase in other countries, over the same or a nearly corresponding period. The conclusion brought out by his paper was that the average wages in this country over a certain number of leading industries embracing, as nearly as could be estimated, one half of the total number engaged in mechanical and

manufacturing industries, was in England over 40 per cent. higher than in Germany, and about 60 per cent. higher than in France. In the United States, wages took a considerably higher range than in England. In certain important manufacturing States—Massachusetts, New York, Philadelphia—which represented, perhaps, one-half the industrial population of the United States as a whole, during the interval between 1860 and 1880 there had been an increase of wages in America corresponding to that in this country. But whereas we found that the percentage increase of wages had been practically the same in the two countries, the workman in this country, by virtue of free imports, and other advantages which had accrued to him in the interval, had had his condition bettered to a greater extent than the average working man in the United States. Official statistics issued last year by the Massachusetts Bureau of Labour, showed that the cost of living in the United States had increased considerably within the last twenty years. Mr. Saunders had made a statement in his paper which, if unchallenged, was likely to cause an erroneous impression to go forth; he said that the wages of agricultural labourers were 10*s.* per week. He (Mr. Jeans) had had occasion to look into the matter as far as concerned the North of England, and he disagreed entirely with Mr. Saunders. Sir James Caird gave the average wages of agricultural labourers in England in 1850 as 9*s.* 7*d.*, and in 1878 as 14*s.*, and if we looked at the report, recently prepared by Mr. Coleman, for the Royal Agricultural Commission, dealing with Cheshire and Northumberland, we should find that the average wages there in 1881 were over 18*s.*, besides certain perquisites in the way of potatoes, &c. If we took the average throughout the whole country, he believed we should find that it was more than 14*s.* (No, no.) Mr. Lowthian Bell had recently stated that the result of his inquiry in the Cleveland district gave to agricultural labour an average weekly wage of 17*s.* He desired that the way might be cleared to the proper understanding of what had been the real increase of wages, and he would add that the increase in the cost of living in this country, within recent years, had not been so considerable as some of the speakers of the morning would have them believe.

Mr. J. GLODE STAPELTON (Fabian Society) said he had been acquainted all his life with certain districts of Kent, and there the average in recent years had been 2*s.* 9*d.* per day for labourers. However, he did not wish to dwell upon details, but to call the attention of the Conference to a few general considerations, and he would suggest that in endeavouring to find an answer to the question which had been propounded, they should remember one very import-

ant consideration. He meant that if they looked at the two classes they would find an important characteristic distinction between them. The capitalists and employers were, by virtue of their being so, in such a position with regard to both the luxuries and necessities of life, as to be quite independent of the fluctuations of trade. But the other classes—artisans and labourers—were placed in such a position that any depression of trade, or shifting of trade, might result to hundreds of them in the loss, not merely of the comforts of life, but of its actual necessities. That was a true statement of a fact, and that being so, surely there was but one answer to the question as to which class had the larger share of the benefit. (Hear, hear.) But it might be objected that the second class are in that position of being dependent on the money they earned from day to day by reason of certain qualities in themselves; that they are thriftless, and do not provide for the morrow; they spend what they get to-day and there is an end of it. But if it were true that that class were not as careful as they ought to be, he would ask whether the other class were as careful as they ought to be? Now, as there was the same improvidence in both classes, surely like effects ought to follow in both cases, and it could not be the true cause of the difference between the two classes. Extravagance is capable of being ambiguously taken. A poor woman earning 6s. a week would be extravagant if she spent 1s. 6d. on a beefsteak, but a man with an income of ten thousand a year would not be extravagant if he entertained his friends at a dinner costing three guineas a head. Looked at from the point of view of the community, which was the extravagant person? We were told that the position of independence of one class was due to their abstinence—that they had abstained from spending money they had in hand. He would ask them to consider what that abstinence really meant. A man, after he had provided for all necessities, luxuries, and such ostentation as he chose to indulge in, put by the margin of his income. That was the quality and amount of the abstinence we were asked to approve as the virtue of that class. What were we asked to demand for the other class? There were present men whose wages at the best of times, when work was good and plentiful, enabled them to keep their families provided with the comforts and necessities of life, and, perhaps, a luxury here and there, and at the worst barely enabled them to provide the necessities of life, and not always that, and they were asked to demand from that class what was a sort of abstinence quite other than that practised by the former class. Was that fair or just? (No, and applause.)

Mr. GEORGE HINES (Wholesale Co-operative Society) said he was of opinion that there would be one outcome at least of the Conference

which would serve a good purpose. It would show that there were working-men who were ready to come forward and state what their earnings were and how they spent them. On the other hand, if they could find anything like an equal number of wealthy men who were getting their thousands per annum where working men were getting their pence, to come forward and tell how they got their incomes and how they spent them, it would be another excellent outcome of the Conference. (Laughter.) He noticed one remark in a paper with regard to what their incomes would be if they were equalised all over the country. He hoped for the sake of quiet and peace that that statement would not be too widely distributed, or he feared that if the great mass of the people got to hear of it—that if the income of the country were divided there would be about 180*l.* per annum for each family—there would be a revolution at once. (Laughter.) He had been amazed at reading some of the statements of statisticians and economists as to what wages really were, but he thought the working-man would best judge of that; and in spite of the statistics, and though they must agree that the wages had increased in many industries, there was no doubt that the increase had been mainly swallowed up by the extra expenditure required to support themselves anything like decently, and sometimes not even that. He did not know what the wages might be in some parts of the country, but he could speak of that part of the country he came from—Ipswich; and to show that he knew something about it, he might tell them that he was president of a large co-operative society, consisting of about 2,000 members, representing about one-fifth of the population of Ipswich. In going into the question of wages there he had found that iron-moulders' wages had risen during the last forty years from 24*s.* to 27*s.* On the other hand, moulders' labourers' wages had only risen from 14*s.* to 15*s.* per week. Smiths' had risen from 24*s.* to 28*s.*, engine fitters' from 26*s.* to 29*s.*, boiler fitters' from 24*s.* to 28*s.*, and in each case the labourers' wages had only risen 1*s.* per week. That bore out the statement that the poor were getting poorer, and there was no doubt that, though a portion of the working classes were getting better off, others were certainly getting worse, for the unfortunate body of labourers who were getting only 14*s.*, 15*s.*, or 16*s.* per week had also to meet the increased expenditure in rent and other things. Here was the expenditure of an engine fitter getting 29*s.* a week, to keep a family of five persons. He had purposely selected one of the most highly-paid mechanics. Rent 5*s.*, for a cottage (which within his recollection could be got for 3*s.*); 1*s.* for trade society and sick benefit club; bread and flour, 3*s.* 6*d.*; meat, 4*s.*; groceries, provisions, &c., 6*s.* 9*d.*; clothes,

.5s. ; doctor for wife and children, 4*d.* ; school for two children, 6*d.* ; social and religious purposes and newspapers, 8*d.* ; wear and tear of house requisites, 6*d.* ; leaving for holiday-making the magnificent surplus of 3*d.* per week. Another gentleman alluded to free education. Working-men were not getting free education at present, and even where they had the Board schools, working-men were paying from at least three sources towards that education. He paid school fees, local rates, and imperial taxes. How bad things must be in some parts of the country was shown by the fact that in Ipswich, which had suffered as little as anywhere from the depression of trade, they had about 800, out of the 4,000 attending the Board schools, who could not pay their fees, and every one of those cases had been closely looked into, so that there was little fear of deception. He estimated that that represented 2,000 people in Ipswich so poor as not to be able to pay for the schooling of their children. But there must be a much larger proportion who were just on the verge of, and ready at any time with the slightest extra pressure to lapse into, poverty. In the expenditure he had given he had not allowed anything for saving, and, although it was said working-men were not so thrifty as they ought to be, in reality working-men were saving to a large extent where they had an opportunity of doing so,—not only by frequent and regular stern self-denial, but by means of their co-operative societies, building societies, and other agencies for thrift and self-help. To these means are to be attributed the improved condition of many working people rather than to any great amount of advance in the remuneration of labour, taking also the cost of living, &c., into consideration. In the North of England he met the secretary of a large co-operative society, at Jarrow, where there was great distress, and asked him how the society was getting on. He replied that the takings were, of course, much less ; and as to the share-capital, the members were drawing out at the rate of 15*l.* per week, but that sum was keeping many off the rates and from starvation. With regard to the capital employed in the business there was still a surplus of 4,000*l.*, so that the society would be able to stand it for some time to come. This he thought showed very clearly that in good times working people were doing their best to provide for bad times. But there would never be content until Labour had its fair share of the wealth produced, and knew it. (Applause.)

The Rev. S. HEADLAM (Women's Protective and Provident League) said he wanted to take exception to the statement which had been made in one of the papers, that Mr. Henry George wished to have the land managed by the State. What he wanted was that the

whole of the value which the people gave to the land should be taken by the people. That the land question was at the root of the industrial question, and that they had the right to take the whole of the 20s. value which the people had made he had no doubt. Then there was the statement that those in the room would probably think Mr. George's idea based on injustice. He ventured to think that there were a large number of persons in the room who felt that the people who by their presence and their very life gave value to the land had a right to have the value for themselves, and to take the whole of the value by degrees in taxes was not an unjust thing. [The Chairman ruled that the discussion of the land question should be confined to the third day of the Conference.]

Major CRAIGIE (Local Taxation Committee) said his attention had been taken by statements in the paper of Mr. Saunders, which, if uncontradicted, might give a wrong impression. He would offer a preliminary but distinct protest against a theory which had been advanced by several speakers, that statistics were altogether unreliable, and that all conclusions should by preference be based on individual sentiments or impressions. Now, statistics were facts collected by many observers from evidence accumulated from many quarters. Individual impressions were only based on the evidence of a man's eyes. He had often heard that form of argument employed in debating economical questions, but it had always struck him that the weakest of all cases was that which was founded on what one man saw, rather than on conclusions reached by the concentrated evidence of a thousand patient observers. The case of agricultural labourers was eminently one for definite inquiries and definite statistics. He regretted that our country had paid so little official attention to the great question of the remuneration of labour and the exact statistics of wages. He was ashamed to read the reports of other countries, and to think that in a few weeks, from the Government of the United States, we should have the most comprehensive review both of its own rates of wages and those of other countries, collected by the careful observation of the American Consular Staff. The Government of this country would have done well to have incurred a larger expenditure in getting direct statistical information, which was the only basis on which that day's question could be discussed reasonably. There were, however, some statistics available, which, although not all we wanted, ought certainly to have been studied by the authors of papers, especially Mr. Saunders. Some fifteen years ago there was a most thorough and exhaustive inquiry into the question of employment of women and children in agricultural labour. The Bishop of Manchester, Mr. Edward Stanhope, and

many other most important authorities were among the Commissioners who inquired most impartially into the whole question, which, of course, touched the labourers' wages and position generally. It would have been most valuable to have referred to the evidence that was taken. We had only to look still more recently at the report of the Royal Commission on Agriculture in 1882, which sat for three years extracting information from England, Ireland, and Scotland. He had found in the voluminous evidence of those Blue-books piles of statistics amply bearing out the impression held by one or two statisticians as to a much higher rate of wages in agricultural districts than had now been spoken of. Sufficient stress was not laid on the great outlay farmers incurred for labour, and the large share of the gross produce required to remunerate the labourer. Mr. Saunders mentioned 30s. per acre. But statistics showed that that was a small outlay for cultivating land. He had figures showing that the outlay for manual labour on an arable farm of 420 acres in Norfolk last year was over 40s. per acre. The labour bill on that farm was 885*l.*, while the rent was not 650*l.* There was now a shrinkage in the labour on arable land in consequence of the unremunerative prices of cereals. He, however, protested altogether against the returns of weekly wages being taken as the standard or limit of the remuneration. Everybody knew that the 10s. or 13s. per week that had been named did not represent all the money which went to the labourer. Setting aside the larger pay of shepherds, cattlemen, and superior labourers, the lowest-paid labourer in many cases had a cottage, in others so many bushels of wheat, in others potatoes, in others milk, and in other cases members of his family earned money, while the extra returns made at harvest and by piecework must be added; and unless we went into all those figures we could not have any real measure of the remuneration of the agricultural labourer at the present time. In the North of England the figures were very different from those of the South. They were of course influenced by other industries; he would not, therefore, quote the 18s. or 20s. paid as an ordinary week rate in Northumberland. But Mr. Saunders would, no doubt, be surprised to hear that in so purely agricultural a county as Bucks, where there was certainly no great industrial competition, the following were the figures taken from a considerable employer's books:—In 1874 wages were about 15s. per week in winter, with the addition of milk for breakfast, and 19s. and 21s. in haytime and harvest, or about 33s. per acre; at present labourers were receiving 16s. a week, or 17s. without milk, which gave about 38s. 3*d.* per acre. It would certainly be well that some caution should be given to the readers of papers that they should place a little less reliance on isolated and exceptional cases, and

should rather consult the most voluminous and accurate statistics of recent official inquiries, especially those given by Mr. Doyle, Mr. Little, and Mr. Druce, on the Commission of 1882. He hoped that those who wanted to turn labourers into peasant farmers would also read Mr. Druce's evidence and statistics on such peasant communities in Lincolnshire, and contrast the position of labourers there with that of the nominal freeholder at the present time mortgaged up to the eyes, always in debt, working twice the hours, with children half-educated, and not doing nearly so well for himself or his family as the wage-earner employed on the large farms of the district.

Mr. BALL (National Agricultural Labourers' Union) said perhaps he ought to apologise for addressing them, but as the condition of the farm labourers had been so much discussed, he felt entitled to speak as one of them. He observed generally that the condition of the agricultural labourer was always more satisfactory to those people who were not in that condition. He considered that he had had a considerable experience in it; his father was an agricultural labourer, and his mother a yarn spinner. He was himself an agricultural labourer until the Association was started with which he was now identified. He believed he knew more about it practically than many of those gentlemen did theoretically, and he would say that, with all their figures and multiplying of figures of income, a large number of the labourers lived bordering on starvation. (Applause.) The last speaker referred to the Lincolnshire labourers. He happened to be a native of that county, and his father had lived there before him. That speaker referred to certain small freeholders who were worse off than the labourers. Did it not strike them that it was very strange, if that were so, that those people had never got out of that position and turned labourers? It struck him that if their position were so much worse than that of the labourers, they would have made an effort to get out of it. In his boy days, there were hundreds of such holdings, held by men who worked one or two horses, kept one or two cows or sheep, &c., and it was seldom any of those men went to the parish for relief. When the father got too old to work, the son took on the holding and kept the old man. He contended that the system under which the land was now held had driven those men out, because the large landowners did not desire to see them on the land. He admitted that agents, many of whom have had almost unlimited power in the management of large estates, have done much to abolish small holdings,—he would not say from what motives. But evidently the interests of the small holders were not considered, nor those of the community at large. Something had been said respecting the Royal Commission appointed.

some years ago to inquire into the condition of the working classes employed in agriculture. He never heard that a farm labourer was on that commission. The very people whose life and being were affected, and who ought to have been fairly and fully represented on that commission, were altogether excluded, and the consideration of their condition was left in the hands of those who did not feel their wants, and did not much care about them. They were told that the representations made by some of the readers of papers respecting the average wages of the labourer were totally beside the mark. The question was, Who gave the figures for making the calculation? Was it the employer or the labourer? He observed that there was always a wide difference between the two statements, and if we took the figures of the employer and not those of the labourer, we should get a wrong idea of the position of affairs. He resided at present in Essex, and, after having travelled over the major portion of that county, he found that, estimating from the highest to the lowest, the wages did not average more than 11s. per week. When farmers estimated the wages they paid, they did not estimate those of the labourers only, but took in the wages of the housekeeper, the stockman, and the overseer, who all received more, thus raising the average, and not giving a fair idea of the matter. Some of the employers gave the labourers a little wood, but it was in many cases he knew of scarcely worth tying into bundles. He held that at the present time there were thousands of labourers in Essex who did not work more than five days a week, and, if they did, they did not get more than 10s. a week for it. Perhaps he ought to calm his feelings a little; perhaps he spoke hotly. He felt indignant. (Applause.) He could not avoid it when he heard men who knew little or nothing about the labourer make those exaggerated statements. (Applause.) With respect to the working expenses of a farm, he would not enter into the question, but he believed that when a farmer was asked for his labour account, he would give it in a very different manner from that he would adopt when he gave in his income tax return. Some gentlemen suggested that labourers were better off than their employers, and they said that many of the farmers were able to escape paying income tax because they had no profit. He believed that the first 150% of profit was not taxed, so that that statement proved nothing. (Hear, hear.) Perhaps he was not conducing much to the settlement of the question of the remuneration of the labourers; but all these matters were involved in considering it. There had been nothing nearer the mark than the paper of Mr. Saunders. The land question, so far as he could understand it, was at the root of the evil. There could be no successful manufactures or

commerce, for any length of time, where agriculture was going to ruin; and until some plan could be adopted by which the land could be brought into proper cultivation, and those who did the work had a proper share of the profits, there could not be peace or safety. It was estimated that in Essex there were 70,000 acres of land lying idle. We could estimate the number of men thrown out of employment in consequence. If any of those labourers asked to be allowed to cultivate a part of the land, they were refused on the ground that they would become too independent. The landlord could not let the land in some cases, because it had got into such a filthy state. In some cases he would not let it because he could not get the rent he wanted, and was unable to cultivate it himself. People during that time were walking about idly and starving, and yet they were told that wages were 14s. and 15s. per week. Wages had gone down on an average 2s. per week since 1879 in every part of the country, and in consolation for that they were told that bread and sugar were cheaper, and one speaker mentioned marmalade. (Laughter.) It was convenient to dangle that before their eyes when they were asking to have a living in return for their work. He protested against the assertion that the average wages of a farm labourer were as stated, 14s. or 15s. per week. (Cheers.)

Mr. STEPHEN HARDING (Bedminster Board of Guardians) wished to make a few remarks on Mr. Saunders's paper. He took it that the great object of their meeting was to devise some means whereby the great mass of our working classes should be better paid for their labour. If they succeeded, no one would be more pleased than the landowners and tenants of this country. If that paper went forth without being challenged, it would be somewhat misleading. Mr. Saunders said that in 1835 wages were 7s. a week, and that on those wages the people were starved; but he would remind him that, as food was then about half the price, the labourers were as well off then as now at 14s. a week.—Mr. SAUNDERS: And much better; that's what I said.—Mr. S. HARDING: But we know as a fact that the labourers in constant employment are not now starving, but are fairly well off. When our cathedrals were built, wages were not more than 2d. a day, showing that the question is not the amount of wages, but the amount of food it will purchase. The paper pointed out that there was much land in Wilts uncultivated, and not let because of the stubbornness of the owners. We knew that there were some people in all classes of life who had a deficiency in the upper storey, but no landlord would be fool enough to keep his land idle if he could let it. (Oh, oh!) He had some friends in Wiltshire who told him that the land uncultivated instead of being the best in the country was the worst;

that if it were divided into plots the people would starve on it, and that those who advocated its division were the greatest enemies of the working classes. He had just been through the United States, and his advice to labourers was, instead of going on to eight or nine acres here, to go to our Colonies, where they could do much better. It was a matter of supply and demand, and he might suggest a way in which men could rise. Every class that existed should be organised into a body. There were many classes in existence, and all necessary, and they should see that there were not more in each class than would supply the demand. Supposing that they tried to fix labourers' wages at 1*l.*, we knew that there were so many of them that they could not get that rate, and so some of them must get something else to do. The sooner they got to understand that the better. The average wages in the South of England were nearer 18*s.* than 10*s.* ; he believed they would be found to be about 15*s.*

Dr. G. B. LONGSTAFF (Charity Organisation Society) said he only wished to call attention to one or two important, but, no doubt, unintentional, inaccuracies in the paper of Miss Simcox, who tried to find the number of poor people in the country from the number who died in public institutions, workhouses and hospitals. As a medical man he must protest against her assuming that people in that class of life died at the rate of twenty per thousand per annum. Owing to their low wages, bad accommodation, and bad habits, they died at a much greater rate ; probably the rate was twenty-five or thirty per thousand per annum ; that would give about two millions who might be taken as paupers or on the verge of pauperism. There were, indeed, many paupers who died in their homes, but, on the other hand, many persons died in hospitals who were not paupers. These two classes neutralised one another, and he protested against the actual paupers being counted as a separate class. That being so he did not think Miss Simcox could, from the facts she adduced, bring the total up to more than two millions. He maintained that the same two millions were those who mainly occupied the attention of charitable people. They were either paupers or very nearly so, and he protested against another two millions being added to the number. Nothing was gained by overstating the case one way or the other, we wanted only correct figures. It was said that with increasing wages and production we had a constantly increasing poor rate ; but every year new charges were added to the poor rate, so that eight millions now spent as poor rate only corresponded with the four or five millions of the first part of the century. Paupers were now much better treated than formerly, both in workhouses, and infirmaries, and in district and other schools. The buildings were better and more costly, and the

officers of a superior class and better paid ; building sites were more expensive : moreover, the eight millions referred to included the whole of the expenses of the Metropolitan Asylums Board, a very large sum, mainly devoted to objects that were essentially sanitary. The true test was the number of paupers, which had decreased with a rapidly increasing population.

Dr. CHARLES R. DRYSDALE (Malthusian League) said that no doubt the question raised recently by Mr. Giffen was a curious and interesting one, *i.e.* whether the working classes or the other classes had gained most of the products added by industry to the national wealth during the past thirty years ; but the fundamental point for this Conference to determine, in his opinion, was, how can the position of the least skilled worker in this and other civilised countries be made so good as to enable him or his to earn by daily wages a sufficiency of all those necessaries of life which will enable him or his to live to an age compatible with the constitution inherited? At present the average age at death among the nobility, gentry, and professional classes in England and Wales, was fifty-five years : but among the artisan classes of Lambeth it only amounted to twenty-nine years ; and, whilst the infantile death-rate among the well-to-do classes was such that only eight children died in the first year of life out of one hundred born, as many as thirty per cent. succumbed at that age among the children of the poor in some districts of our large cities. The only real cause of this enormous difference in the position of the rich and poor, with respect to their chances of existence, lay in the fact that at the bottom of society wages were so low that food and other requisites of health were obtained with too great difficulty. Now, there was but one cause of average low wages, and to see that cause clearly it was only necessary to compare Hindustan, England, and Australia. In Hindustan the wages of an agricultural labourer were about 4*d.* a day, in England from 2*s.* to 3*s.* a day, and in our Australian colonies from 6*s.* to 8*s.* a day of eight hours' labour. Nominally then, the wages in England were more than six times higher than in Hindustan, whilst in Australia they were three times as high as in England, and eighteen times what they were in Hindustan. Meat in New Zealand and some parts of Australia was very cheap, 3*d.* a pound ; so that, in addition to higher nominal wages, the Australian workman was much better fed than the English labourer. His labour would purchase, for instance, nine times the amount of meat that an Englishman's labour would. The evident cause of these terrible variations in wages, lay solely in the fact of comparative pressure of population on the powers of the soil. The Hindu marrying his daughter, because his creed compelled him to do so, at

the age of eleven, population was encouraged to increase as rapidly as possible, and hence continual over-population existed in that miserable country, where pauperism and famine were endemic. New Zealand, being so well fed and so little over-peopled, as compared with England or Hindustan, had the lowest death-rate perhaps in the world, *i.e.* twelve deaths per thousand inhabitants annually, as compared with twenty-one per thousand in England and Wales. In the same way it was, that the classes in Europe that increased most rapidly were the poorest, and received the smallest average share of the produce of the soil. He had found by interrogating the poor married women at the Metropolitan Free Hospital of London, over the age of fifty, that one hundred married women among the poor classes in London have, on an average, seven hundred and twenty-children, *i.e.* more than seven children each, whilst the professional classes in France were now well known not to have more than one hundred and seventy-five children per hundred married women, *i.e.* not quite two children per family. The birth-rate of our own richer classes was now very low. For instance, in Hampstead, a parish of London inhabited by well-to-do people, the birth-rate was only twenty-two per thousand inhabitants annually, as against forty-two per thousand in Sunderland, and thirty-seven per thousand in White-chapel. So that the only chance for the poorer classes obtaining more of the products of manufactures and agriculture lay in their imitating in future the more prudent classes, and having smaller families. No other schemes, such as resettlement of the land, socialism, or emigration, could raise wages, because population would double so fast, if food were only procurable. Hence, the State should discourage in all classes, in all European countries, families exceeding four children. The sanction required to enforce such an all-important aim might be discussed, when it would probably be found that trades unions and other combinations for the purpose of raising wages, might easily make the production of those large families, which alone were the cause of the misery arising from low wages, a ground of dismissal from the union. (Laughter.) Gradually this discouragement might be extended to the whole of society, in which case indigence and high death-rates would certainly disappear, and wages in England might eventually command as great a share of food as they did now in Australia.

Mr. E. DYKE (Cabdrivers' Society) said he feared that previous speakers had shown a desire to create a war of class against class. He would not have raised a protest against that if the attack had been confined to the large landed aristocracy, because they had in their hands the sinews of war, and were able to defend themselves.

Capitalists and employers, especially where they held land, had benefited much more largely than the labourers by the products of labour and industry. If a trades unionist plater got 1*l.* 5*s.* a day, and a non-unionist helper, who worked as hard, only got 5*s.* for a day's work, they should increase their wages by combination not by reducing the wages of the plater.

Mr. WILLIAM SNOW (Cleveland Blast Furnacemen) said he wished to say a few words about the agricultural labourers in the Cleveland district. As one who had resided in the district for sixteen or seventeen years, and travelled through every portion of it, being personally acquainted with many farm labourers, he would say that the estimate of their wages was false and untrue (Hear, hear.) He did not say that there were no farm labourers receiving 17*s.* a week, but that they were very exceptional cases. If they were to take an average, they would find it only to be 14*s.* 6*d.* instead of 17*s.* 6*d.* The district was not an agricultural one, but a mining and iron producing district, and the consequence was that the little agricultural labour that has to be performed has to be paid at a higher rate than in a purely agricultural district. When Mr. Jeans spoke of the increase of wages in England and foreign countries, he did not tell the whole of the truth. If he had quoted the whole of the text of Mr. Lowthian Bell, he would have told them that, although the wages in England were higher per day than in foreign countries, yet any piece of work would not cost more than the same amount of work anywhere else. Although the English workmen received higher wages they did more work for it, so that the work cost no more to produce a ton of iron here than in foreign countries. Mr. Jeans ought not to have tried to make them believe that English labourers were receiving higher wages for shorter hours than his brothers in foreign countries. Major Craigie said they ought to place more reliance upon the figures of the statisticians than upon the word of an individual who came forward and said they were not correct. He thought, if they had personal testimony as to what people are receiving, or the class they represent are receiving, it must be better than the figures of people who had personal motives for not telling the whole of the truth. These statisticians sought their facts and figures from one side only. If they had any representatives of the labourers' side who could tell them what the wages are in certain districts, that was better than all the figures from the employers' side.

Mr. ESTCOURT (Progressive Association) said that according to Mr. Hutchinson's paper, the wages of the coal miners in 1832 were 3*s.* 6*d.* per day, and Mr. Giffen made a point a short time ago by

saying that they were 2*s.* 8*d.*; again, in 1871, according to Mr. Hutchinson's paper, the wages were 4*s.* 9*d.*, and in 1876, 5*s.* 2*d.* He found that the strike in South Staffordshire was against reducing the wages from 3*s.* 8*d.* to 3*s.* 4*d.* per day. Yet they were asked to rely on these figures. Major Craigie laid great stress on the advantage the labourers got from small additions to their incomes by means of milk, eggs, firewood, &c. If that were so great an advantage, we must consider how much the town labourer had lost by being urbanised. On a large income such small items were not of much consequence, but if a man with a garden, and 15*s.* or 18*s.* a week, desired for instance to make a fowl-house, and instead of being able to beg pieces of wood, had to buy all, the items were very serious. When several persons in a family earned wages the whole aspect of the question was altered, there being then several sets of out-door expenses (locomotion, &c.) to allow for, which would materially lessen the apparent earnings.

The Rev. H. J. B. HEATH (Land Nationalisation Society) said he desired to support all that Mr. Saunders had stated. Humanitarianism, which had found its exponents in Miss Simcox and Mr. Lloyd Jones, was, he ventured to think, a far more important side of the question than the dry and conflicting statistics they had had hurled about to-day. With respect to Wiltshire, he could corroborate Mr. Saunders's statements. Near Salisbury there was a manor comprising three farms, one of which, with an area of 2,000 acres, has been unlet for a long time. A large portion of this farm consisted of grazing land, suitable for sheep feeding; the remaining arable portion was covered with weeds. This prevented a tenant without large capital from taking it. The last tenant made a hard fight against bad seasons, struggling also against the incubus of an excessive rental, giving up the culture of one field after another, and finally retiring from the scene as a broken man, killed out of commercial existence mainly by the stress of that which crystallises itself in the word rent. It has been found impossible to provide a new tenant for this farm even with a rental reduced to 10*s.* per acre. He contended that the nationalisation of the land upon the principles advocated by his society would prove a remedy, and the only effectual remedy, for this disastrous state of affairs.

Miss SIMCOX, in reply, said she had not been as fortunate as Mr. Saunders in provoking criticism. She was, no doubt, audacious to make statistics prove something different from Mr. Giffen, but as no one had been kind enough to set her straight, she hoped they would believe that there was something in her side of the statistical question. In reply to Dr. Longstaff, she desired to say that her estimate

of two and a half millions was only approximate, but she considered that the probably higher death-rate in the lowest class would be fully compensated by the mortality, which she was obliged to omit, in prisons, schools, almshouses, and other benevolent institutions, together with the odd 160,000 that she struck off to give a round number. The total mortality in hospitals was 2·8 per cent. of the whole, and a portion of that did not imply pauperism, for persons of good position went to hospitals for special surgical treatment; but a majority of those who died in hospitals would undoubtedly pass their last days at home, if the family resources could provide for their being properly cared for. There was another point of view from which one might confirm her estimate of five millions of virtual pauperism; that was the 25 per cent. of workers unemployed. That did not mean that everybody earned 25 or 20 per cent. less than normal wages, but that 25 or 20 per cent. of them were at one time or other out of employment, and so not earning wages at all. If to this number we added a similar percentage of those who, even when in work, did not earn enough to make any provision against bad times, we could hardly avoid the same conclusion, that a fluctuating fifth of the whole population was to be found permanently on or across the border of pauperism or destitution. One word as to the method upon which the statistics she ventured to criticise had been compiled. The statisticians asked how much a man in good work generally earned in his trade, and then calculated as if every man got as much as that. It was rather the exception than the rule in some trades for a man to earn full wages. The estimates on that score were very different when given by the employer and the workers. One day, in a Whitechapel tailor's workshop, she was going round with the master. He complained of its being supposed that East End tailors were badly paid. He pointed out one man and said that he got 7*s.* a day, which made two guineas a week. She then asked how many days a week the man worked, and all the rest of the workpeople in the shop looked at each other and winked. The master said sometimes five days (*i.e.* never six), sometimes four, and sometimes three, and, a young man added, sometimes one. The average was, according to a well-informed master, about three days a week during the year, so that the tailor's real wages came down at a run from two guineas a week to 2*1s.* Statistics were very valuable and reliable, provided we knew what they were made of. We might trust the Registrar-General's returns implicitly, and the census as far as it went; but when we saw that the income of millions assigned to the working classes was formed by multiplying such cases as that adduced, there was not much reliance to be placed upon the figures.

She had been careful not to pile up harrowing instances of women earning sixpence a day. What we had to realise was that our whole industrial system tended to a multiplication of such instances. We were not at present on the right tack. We spent our days of work in producing a state of things which the leisure moments of the philanthropist were utterly unable to correct. If we continued in the way we were going, when our population compared with that of China, we should have a virtually pauper population of 80 or 100 millions. It had been argued that it was not worth while to devise a more equal distribution of wealth, because if the whole national income were divided equally, the share of each individual would be too small to count; but this was scarcely accurate. As far as she could judge, if it were so distributed, it would add about 10s. a week to the income of each working-class household. That would mean the difference between 5s. a week and 15s., between 10s. and 20s., and so on. 26*l.* a year might be an insignificant trifle to the rich, but to the poor it meant the difference between wholesome luxury and a hard life, comfort and want of common necessaries, possible subsistence and absolute starvation.

Mr. SAUNDERS, in reply, said, with respect to the wages in Wiltshire, he wished they were better than he had stated, but a short time ago he called on a farmer who was paying only 9s. instead of 10s. He asked him how he could have the conscience to offer such wages, and the farmer's reply was that if he told his labourers that for the future he could only pay them 8s., they would say, 'We be very sorry, measter, but we suppose we mun put up wi' it.' That showed the condition of the people in that neighbourhood. One gentleman had said that no landlord would be fool enough to keep his land idle if he could let it. Unfortunately, when people calculated upon putting a limit to the folly of human nature they reckoned without their host. Last week he saw 1,500 acres of land which had not been cultivated for five years, yet if a labourer were allowed to have 10 acres of that land (at 1*l.* per acre) he would consider his fortune made. Applications for such holdings had been made to the landlord, but the request was refused on the ground that if the labourers had the land the farmers would not be able to get labourers. One gentleman, who had visited Canada, was in love with large farms. But Canada and England were very different. Where the population was sparse, hundreds of square miles were properly occupied by one man for cattle ranches, but, as the population increased, the ranches were divided into large farms, and large farms into smaller, and as population became dense, much of the land ought to be used for something like market-gardens, and such would be the case if the

landlord did not step in and interpose a charge of three or fourfold, before he would allow land to be cultivated in small quantities. We were asked how could we expect working-men to be well off when they had seven children to keep. He had asked a working-man whether, if he had 10 acres of land at the same rent as a farmer paid for his land, he would be able to live upon it. The reply was, 'Live upon it! I could keep 14 or 15 children, and give 'em all plenty.' (Laughter and applause.) And he knew perfectly well that the man could do it, and would do it, and would become a splendid customer for the manufacturers. (Hear, hear.) The artificial restrictions which were placed upon land were placed there for the purpose of giving undue advantage to the capitalist. They had that effect, and were the chief cause of these inequalities which now existed.

THURSDAY, JANUARY 29, 1885.

MORNING SESSION.

DO ANY REMEDIABLE CAUSES INFLUENCE PREJUDICIALLY
(A) THE CONTINUITY OF INDUSTRIAL EMPLOYMENT OR (B)
THE RATES OF WAGES OF THE WORKING CLASSES?

*On the Existing Modes of Distribution of the Products
of Industry in the Chemical Works, Collieries, Iron-
stone Mines, and Blast Furnaces in the North-East
of England.*

BY I. LOWTHIAN BELL, F.R.S.

President of the British Iron Trade Association.

THE circumstance of my having been engaged for upwards of forty-five years in an industrial life may, I trust, be accepted as a justification for claiming a few minutes of the attention of the present assembly.

Lord Macaulay, and since his time many other writers of eminence, have proved conclusively that the labouring man at the present day has had his position greatly improved as compared with that of his predecessors during the last century. Not only in recent years has almost every article of food and clothing been greatly reduced in price, but there has been a steady and substantial increase in the rate of his earnings.

As regards the first of these propositions, the large importations of grain and of animal food, which may be regarded as of a permanent character, afford a reasonable hope of the inhabitants of the United Kingdom being fed in the future at a moderate cost. As regards the second proposition, I may take

as an illustration of the rise in wages that, in a large locomotive building establishment in the North of England, the average increase between the years 1850 and 1874 amounted to 41·73 per cent., and in 1881, a period of great depression, they were 28·70 per cent. higher than in 1850.

Besides this, the introduction of the nine hours' system brought up the cost of labour to the employer in the two years of 1874 and 1881, as compared with 1850, to 51·73 and 38·70 per cent. respectively.

Other examples will be adduced in proof of the general character of this change in the income of the working classes in my own neighbourhood, about which locality I wish more particularly to speak.

Notwithstanding this admitted improvement, which is by no means confined to the North-eastern district of England, I am quite willing to allow that there are many cases which may appear to, and no doubt do, justify the inquiry you are met to consider, viz. 'Is the present system or manner whereby the products of industry are distributed between the various persons and classes of the community satisfactory? or if not, are there any means by which that system can be improved?'

By personal inquiry as well as by the study of writers, both British and foreign, I am satisfied that the earnings of many among the labouring population of this country, as well as elsewhere, are of such nature as barely to suffice for the necessaries of life, leaving no margin for what may be regarded as its comforts, much less its luxuries.

You are now invited to consider 'what are the best means consistent with equity and justice for bringing about a more equal division of the accumulated wealth of this country, and a more equal division of the daily products of industry between capital and labour?'

It is not necessary to spend any words in proof of the opinion that the question just quoted is one which has frequently been asked by the workmen themselves. This is sufficiently evinced by those occasional conflicts between capital and labour, which almost invariably are accompanied by embarrassment to the one and by distress to the other.

In the present, as in all other similar problems, we must not, however, shut our eyes to the difficulties which beset its solution, otherwise we may aggravate the evil our endeavours are intended to cure.

Quoting again from the documents which have been issued by the Committee, I find it stated that 'wealth, luxury, and extravagance among the few, accompanied by poverty, misery, and want among the many, is at once a great evil in itself, and a great danger to the Commonwealth.'

No one, I think, will venture to controvert the truth of this abstract proposition, but I must dissent from what I fear is meant to be a too general application of its terms to the actual facts of the case you have met to discuss. I have, therefore, endeavoured to select instances, within my own personal experience, to show that there are, and have been for some time, many very earnest attempts made to effect an equitable 'division of the accumulated wealth of the country, and of the daily products of industry between capital and labour.' Further, I have little doubt that when 'poverty, misery, and want are felt among the many, wealth, luxury, and extravagance are not so prevalent among the few,' as seems to be inferred.

To some extent it may be said the very reverse of this last proposition has been exhibited in the history of the chemical works of the United Kingdom during the last seven years.

On the River Tyne alone there are, or were, annually used in the manufacture of soda and its cognate branches above 250,000 tons of salt, nearly a million tons of coal, and in all nearly two million tons of mineral substances, worth nearly a million sterling. Almost the same amount of money was paid to 19,000 workmen engaged at the chemical works themselves, a number which therefore does not include the labour at the mines, or that paid for transport by sea and by land, &c. &c.

When it is remembered that the make of soda, &c., of the Tyne is only considered to be about 25 per cent. of the entire produce of the United Kingdom, it is no exaggeration to say that this branch of the chemical trade is one of national importance.

Now, during the last twenty-five years or thereabouts, the wages paid in these chemical works, according to my own know-

ledge—and I speak from twenty-one years' experience as a soda maker—have been increased $37\frac{1}{2}$ per cent., while, during the same period, the average value of the products has declined to the extent of 40 per cent.

I do not pretend to say that improvements in the manufacture itself, and changes in the price of raw materials, to some extent, may not have mitigated the very heavy losses which infallibly would have overtaken this branch of industry under the circumstances described. The actual condition of the trade, however, may be inferred from the fact that on the Tyne alone thirteen establishments have been broken up and sold as old material, accompanied by a reduction of 24 per cent. in the quantity of soda, &c., produced on its banks.¹

I will not invite you to suggest a remedy for this lamentable state of things, because I am too well convinced that you would be unable to apply it, and this for the following reasons.

Concurrently with the ruin which has thus been threatening to overwhelm the chemical manufacturers, other branches of industry in the North-eastern district of England were more or less prosperous, and the men engaged in these were earning high wages. Iron shipbuilding was one of the fortunate group. From one builder I obtained a return of the average earnings of his men, who worked 313 days in the year to which his figures applied. The chief men received over the whole of this period from 8s. 9d. to 12s. 10½d. per day, and among these there were ten who made 25s., and thirty other men who were paid 20s. per day.

At the rolling mills engaged in making the iron plates for the shipbuilders the furnacemen were paid 12s. 8d. and the head shearers 28s. 3½d. per day. The least experienced of the chief rollers received 17s. 5d., and the best 40s. 11d., for his day's work, the average receipts of fourteen men employed at the rolls being 27s. 8d. per diem.

It has already been stated that the mechanics in the North of England in a large engine-building establishment had re-

¹ Recently a process for making soda has been introduced into this country considered to possess great advantages in point of economy over the old or Leblanc method. The new or Ammonia process, as it is called, is too new and too limited in extent to have materially affected the general trade.

ceived an increase in their wages amounting to from 40 to 50 per cent.

You will now easily understand that such earnings as those mentioned above could not fail to affect the price of labour in other branches, just as the better-paid men, who soon learnt to mine the Cleveland ironstone, a comparatively recent discovery, compelled the neighbouring farmers to increase the wages of their farm servants.¹

But it happens that in the chemical works a large number of artisans is employed, differing but little, if indeed at all, from those engaged in shipyards, in iron works, and in engine-building factories. Of course, however depressed the soda trade was, a bricklayer demanded the same pay for building a furnace for decomposing salt as he would have received for constructing one for heating ship-plates. In like manner, whether a steam-engine was doing duty for the chemical manufacturer or for the ironmaster, the men who built or repaired it were to be paid the same rate in both cases. Such examples as these became necessarily the forerunners of that general rise in the price of labour mentioned as having prevailed all through the chemical works in the neighbourhood of the shipyards and rolling mills.

It is, perhaps, only when we come to consider the wages question of our country in its relations with the price of labour in foreign nations that we become sufficiently impressed with the intricate nature of the subject.

The possession of abundant beds of cheaply-wrought coal and ironstone, of skilful workmen of great endurance, and of a fleet of merchant vessels more numerous than that of all other nations combined, entitles Great Britain to be considered as the shipbuilder of the world. In recent years, however, we have seen Norway, a country which has to import the whole of the coal and iron required for building a ship, entering the field and competing successfully with the British firms, with all the advantages Nature has placed within the reach of the latter.

This perhaps unexpected result is entirely due to cheaper labour. According to one return I have received, the workmen in a German shipyard are paid about 60 per cent. of the current

¹ *Vide* Appendix, p. 148.

wages paid in the North of England. This fact is not put forward as an expression of the actual difference in the cost of a given amount of work, because, as will hereafter be again referred to, the better-paid English workman is, generally speaking, more efficient than the foreigner. So far, however, as Norwegian competition is concerned, the cost for labour on an iron vessel of 1,500 tons dead weight capacity is, after paying the freight on the iron and coal employed, 850*l.* less than that paid in our own country. This information is given on the authority of Mr. Raylton Dixon, the experienced and well-known ship-builder of Middlesbrough, and when it is considered that it applies to an amount of wages which, in 1883, exceeded a million and a half of money paid in the British building yards, it is not easy to over-estimate its importance.

Previous to the introduction of Free Trade measures in this country, and indeed for some years afterwards, the differences between the earnings of the workmen in the United Kingdom and on the continent of Europe were invariably set down to the cheaper price of provisions abroad. During the forty years in which I have visited the Continent for studying its progress in the manufacture of iron and its various branches, I have witnessed a marked change in the cost of food there, but, instead of troubling you with my own figures, I will seek to confirm this statement by the observations of other writers.

M. Chatelant, of the Statistical Bureau at Berne, alleges that in Switzerland between the years 1840 and 1850 the prices of provisions had advanced 75 per cent., and in some cases 100 per cent. Between 1861 and 1872 there was a further rise of 30 to 40 per cent.

M. Vuillmin, a large coal-owner in the North of France, informed me that in the Pas-de-Calais the increase in the cost of articles consumed by his miners had increased as follows :—

| | | | | |
|-------------------------------------|---|---|---|---------------|
| Butcher meat | . | . | . | 157 per cent. |
| Butter | . | . | . | 102 „ |
| Potatoes | . | . | . | 107 „ |
| Shoes | . | . | . | 106 „ |
| Coarse blue cloth for their clothes | | | | 71 „ |

Shortly, it may be said that all the evidence I have received in Austria, Belgium, France, and Germany goes to prove that the cost of living has been notably augmented in these countries, while, with our Free Trade measures, it has sensibly been diminished with ourselves.

Under such a change of circumstances on the Continent it is not to be wondered at that wages should have risen there; and accordingly, with coal selling at the same price, miners' wages in France rose in ten years about $17\frac{1}{2}$ per cent. The earnings of the men engaged in our British collieries, and, indeed, in our iron works generally, did not follow an opposite direction, although, as has been stated, almost every article of domestic consumption is now much cheaper than it was five-and-twenty years ago. On the contrary, there has been, as I have shown, a steady and in the end a very considerable addition to the wages paid to our workmen. Not only is this the case, but from authentic figures in my possession, I will prove that 'the division of the accumulated wealth of this country' has been very much more in favour of the workmen than has been the case with Continental nations.

In illustration of this I will submit the actual earnings of the coal miners at a Scotch and at a Westphalian iron works. To these I have added the price of pig iron in Scotland, which may be considered as the ruling factor in determining the rate of wages.¹

| Year | Price Scotch pig iron | Earnings Scotch Colliers | Earnings Westphalian Colliers. |
|------|-----------------------|--------------------------|--------------------------------|
| 1869 | 53/3 | $3/6\frac{3}{4}$ per day | 2/4·92 per day |
| 1870 | 54/4 | 3/9 " | 2/6·72 " |
| 1871 | 58/11 | 4/6 " | 2/8·16 " |
| 1872 | 102/ | $7/0\frac{1}{2}$ " | 2/11·74 " |
| 1873 | 117/8 | 9/11 " | 3/3·29 " |
| 1874 | 87/6 | 7/2 " | 3/3·72 " |
| 1875 | 65/9 | 5/4 " | 3/ " |
| 1876 | 58/6 | 4/8 " | 2/8·77 " |
| 1877 | 54/4 | $4/1\frac{1}{4}$ " | 2/5·16 " |
| 1878 | 48/5 | 3/2 " | 2/3·36 " |

According to these figures the percentage increase on the wages paid in 1869 was as follows:—

¹ The miners in Northumberland and Durham earn much higher wages than the lower figures in the Scotch scale of prices.

| | 1870 | 1871 | 1872 | 1873 | 1874 | 1875 | 1876 | 1877 | 1878 | |
|---------------|-----------|------|------|------|-------|------|----------|------|--------|------|
| Scotland . | 5·2 | 26·3 | 97·0 | 78·3 | 101·4 | 49·7 | 30·9 | 15·2 | } 11·1 | |
| Westphalian } | Increase. | | 6·2 | 11·2 | 23·6 | 36·2 | 37·3 | 24· | | 13·3 |
| | | | | | | | Decrease | | } 5·4 | |
| | | | | | | | | | | |

For the sake of greater distinctness I have prepared a diagram in which the centre horizontal strong line exhibits the fluctuations in the price of Scotch iron, the highest the variations in Scotch wages, and the lowest line that of the Westphalian miners.

It would only be wearying you to no purpose were I to enter into a lengthened comparison of the earnings of British and foreign workmen generally, because the daily pay to each would be only misleading. Partly owing to the more extensive use of labour-saving appliances here than abroad, and largely owing to the greater amount of work turned out by our better paid and therefore better fed people, the actual sums paid in wages afford no index to the real cost for labour on a given article. Having due regard to these disturbing influences I have satisfied myself that in those objects of iron and steel where workmanship notably exceeds that bestowed on a rough material like pig iron or even steel rails, we must not be surprised that upwards of 300,000 tons of girders, railway axles, spring steel, &c., are imported into Great Britain, chiefly from Belgium and Germany. Further, we must, at the present price of labour with us, be prepared for a continuance of that increase in our importations which has been observed in recent years.

By almost universal consent the policy of Free Trade has been declared as not being an exclusive article in the creed of either of the two great political parties of these realms. Without offence to either, I therefore may be permitted to say that, until we are ready to adopt the policy of taxing the food of the people—a most undesirable step in my judgment—we must consent to allow the farmer to purchase, without hindrance, those tools of iron and steel where he can obtain them cheapest and best.

The competition which the British iron trade has to meet on its own shores is, however, comparatively an insignificant branch of the whole question, for against the 300,000 or 400,000 tons of iron we import in one form or another, more

than 5,000,000 tons of pig iron are required for the purpose of providing for our exports, equal to about 60 per cent. of our entire make.

In former times the iron export trade of the world was almost exclusively in our own hands. In the year 1882 the exports from different countries in pig, malleable iron, steel, and in machinery were as follows :—

| | | |
|---------------------|-----------|-----------------|
| From Great Britain | | 4,828,803 tons |
| The Zoll Verein | | 1,134,103 tons |
| Belgium | | 529,464 „ |
| France | | 137,741 „ |
| United States about | | 200,000 „ |
| | | 2,001,308 tons. |

Thus it would appear that for every 100 tons contributed by this country to supply the markets of the world, 40 tons are now sent out jointly by Germany, Belgium, France, and the United States; and further, it may be stated that the export trade of our foreign competitors is one of a steadily increasing character.

Although the language of the circulars put forth in connexion with the present movement is silent on the difficulties the capitalist has to encounter, I feel satisfied that neither the originator of this meeting, nor the committee, under whose auspices it has been summoned, are less indifferent to the dangers which surround the employer, than to the privations which beset the employed.

I am not going to illustrate any argument upon the relative position of the two sides by a reference to the present depressed state of the iron trade, when many furnaces are idle, my own firm having five in this state out of fourteen, and when it is notorious that its prosecution brings no profit to the iron-master. What I do wish to point out is that the wealth and luxury of the capitalist are sometimes estimated on a wrong basis, when contrasting them with the earnings of his workmen.

If we were informed that the average earnings of all the people engaged in working the minerals, and smelting pig iron therefrom, were 4s. per day, and that the proprietor of the

mines and furnaces received 25,000*l.* a year as his share of the profits, it might be supposed by many that here was manifestly an unequal 'division of the accumulated wealth of this country.'

In order to earn his 25,000*l.*, however, something like 15,000*l.* ought to be set aside to meet the interest on the capital expended on the mines and furnaces. This is an inevitable and a reasonable charge against revenue, because the money might be laid out in such a way as to entail little or no anxiety to its owner; indeed, it might be invested in foreign lands, so as to be beyond the ken and criticism of his own countrymen. This last method of dealing with British capital would, of course, have the effect of withholding it from the power of employing British labour.

Out of the balance of 10,000*l.* which falls to the share of the smelter, have to be paid, depreciation of his mines, the cost of which must be returned by the time the minerals are exhausted, interest on his working capital, and profit for carrying on the business.

It would further appear that this sum of 10,000*l.* belonging to the capitalist only represents 7·14 per cent. (1*s.* 5*d.* in the pound) on the wages paid for labour, so that an increase to this extent to the workmen's earnings would sweep away his profits, properly so called, as well as the depreciation fund, and a further addition of 10·71 per cent. to the workmen's pay would leave the owner of the establishment without a penny to meet any of the charges enumerated as coming against it.

In this estimate it has been assumed that 10,000*l.* a year would be enough to afford a profit to the smelter, and to form a sinking fund to redeem the capital expended in sinking the pits, &c. In many cases, however, nearly the whole of the 10,000*l.* might be absorbed for the latter purpose alone.

I have now enlarged, it is hoped not unnecessarily, on the advance in a material point of view of the workmen in two of the great industries of this nation. I would wish to add a few brief sentences as to their progress in one of the moral aspects of their position. During my earlier experience as an iron manufacturer, a not uncommon way of settling differences of opinion

respecting the price of labour was by strikes of longer or shorter periods ; or, if this disastrous course was avoided, great bitterness of feeling and mutual distrust were engendered between the parties concerned. For the last ten or twelve years, the men have selected representatives of known intelligence and loyalty to themselves, but who at the same time are, it is believed, persons distinguished by the moderation and fair dealing of their views. Upon occasions of importance these representatives meet the council of employers, when the subjects under discussion are debated almost uniformly with calmness and good feeling. Necessarily sometimes very strong differences of opinion prevail, as must occasionally be the case between the buyer and seller of any commodity, but hitherto these have been reconciled without any interruption to those friendly relations which ought to subsist between employer and employed. Much of the credit appertaining to this desirable state of things, is due to the able men who fill the official posts in connexion with the men's unions.

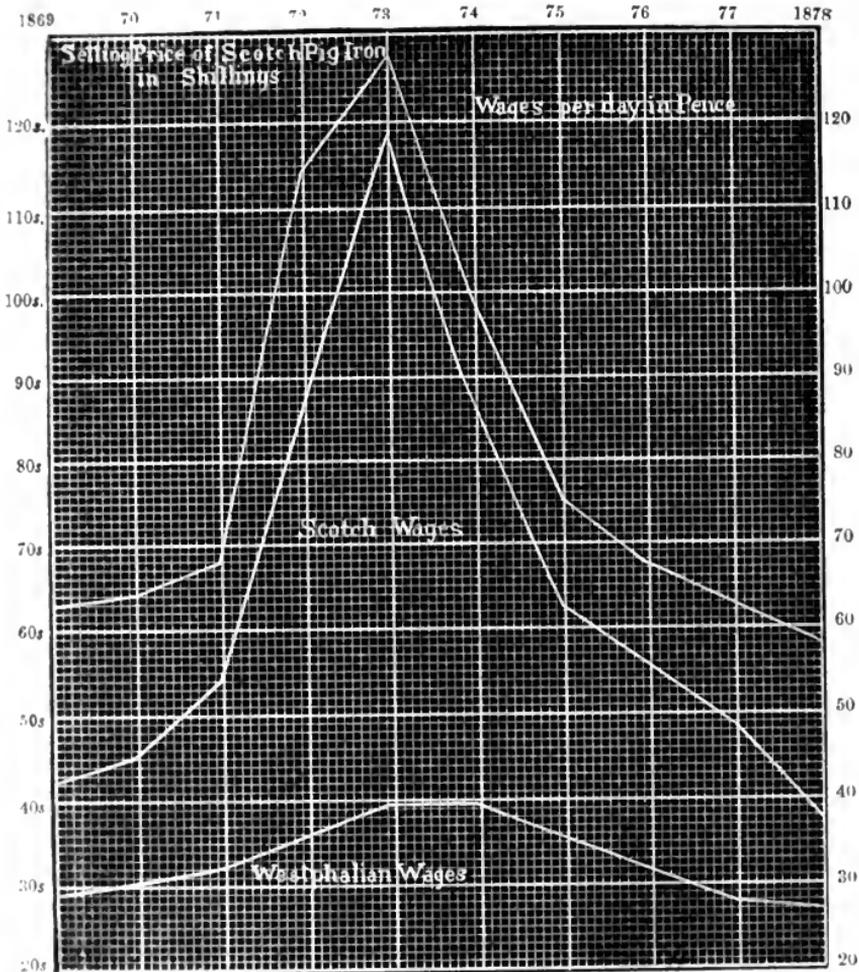
As a result of this amicable feeling, a sliding scale of wages has been agreed to, which is regulated at the collieries by the price of coal, and at the ironstone mines and blast furnaces by the price of pig-iron, and so far this system has worked satisfactorily.

As a further indication of the good understanding which prevails between the employers and their men in my neighbourhood, may be adduced the fact, that Mr. David Dale, of Darlington, a member of one of the largest firms of mine-owners and iron-masters in the world, has been accepted by the iron-workers as umpire upon five different occasions in the settlement of wages.

In conclusion, I have only to express a wish that your deliberations may prove beneficial to all concerned, and as a preliminary step, it seems to me, as it will no doubt to yourselves, that a thorough investigation of all the facts of the cases you may have to consider will be the most likely means of promoting the objects you have in view.

APPENDIX.

DIAGRAM SHOWING SCOTCH AND WESTPHALIAN MINERS' WAGES.



AGRICULTURAL WAGES IN CLEVELAND.

During the course of the discussions Mr. J. S. Jeans mentioned my having quoted in another place 17s. per week as being the earnings of the agricultural labourers in Cleveland. This statement being thereupon questioned by Mr. Snow of that district, I have made it my duty to make further inquiry on the subject.

A gentleman who has charge of one of the largest properties in Cleveland writes me as follows:—

‘I can state that the average wages for working foremen are about—

| | |
|------------|-------------------------------------|
| ‘ 17s. 6d. | per week in money. |
| 1s. 0d. | „ in value of skimmed milk allowed. |
| 5d. | „ for potatoes. |
| 3s. 0d. | „ for cottage and garden. |
| <hr/> | |
| 21s. 11d. | „ in money value. |

‘Second-class men 16s. per week and same privileges, equal in all to 20s. 5d. per week.

‘Plough lads 19 years of age 17l. a year, and their food and lodging—12s. per week—equal in all to 18s. 6d.

‘All other married farm labourers are receiving from 18s. to 19s. per week, and find their own houses.

‘Women are receiving 1s. per day through the year, with 2s. a day during harvest.’

The above figures are confirmed by information received from one of the largest farmers in Cleveland.

The Unionist view of Possible Remedies for Prejudicial Influences on Rates of Wages and Continuity of Employment.

BY W. OWEN, Editor of the ‘Staffordshire Knot.’

To seek a remedy for the ills that afflict the country’s industrial life is a worthy effort, and one that is sure to be useful, as, notwithstanding all that it endures, that life is too vigorous, too much under the control of a self-preserving common sense, to adopt as remedies schemes that would tend to increase its evils. Growth to better things must be encouraged from its present healthiest phases. Even working-men are, to a great extent, ‘masters of their fates,’ and many of the faults that tell against both the continuity of their employment and their rates of wages are in themselves. Trades unity has proved itself a valuable force in securing for the wage-earner improved conditions of labour and better pay. The industries in which the operatives have built up solid, enduring organisations—that

include the majority of the men who follow those trades—show a higher level of wages, and even less fluctuations in employment than those in which unionism is weak or non-existent. The former trades yield to the workers nearly all that is possible to them under the present relations of capital and labour; while the disorganised often obtain less than what is called the market value of their labour through not unitedly asserting their claim to it. Combination of the units of labour is a necessity, if working men would possess equality in bargaining with employers.

Two classes of operatives are prominent in shirking this duty of trade protection, namely, those who are too vicious in their habits to think of the claims of their craft, and those who, while possessing intelligence, skill, and individual thrift, care little for the general welfare of their order, and keep aloof from its trade movements. Labour has equal cause to regret the degradation of the one class, and to blame the desertion of the other. Working-men have need to keep and use all the intelligence they can to leaven and guide them. When some among them fight for their own hand, the weaker men of the class are left an easier prey to the greed that is displayed by some employers, and in the end these weaker links are the real measure of the strength of the labour chain. No devotion to any other good cause can justify a working man who neglects to do his part to improve the industrial position of his fellows. If all who seek to escape from their responsibilities to their class would help, development from within would increase, and working-men would not only be better off in their present position as an employed class, but would the sooner elevate themselves into a more honourable partnership with capital, or become their own employers. It is the loyalty to their order of the most intelligent of English trades unionists that principally gives the otherwise dumb multitude a voice of their own against wrongs endured, and that enables them to effectively claim rights that belong to them.

Mr. Gladstone, in 1867, speaking to some representative trades unionists, said that was the most desirable condition for the working classes that would enable its worthiest members to

most easily rise out of it; but it has always appeared to me that that would be the best condition that would bring the greatest good to the greatest number of those who must remain in the ranks of labour, so inducing some of the best to be contented in the ranks. The growth of a feeling that the position and life of labour is both dignified and honourable would have the best results in lessening the desire to scramble out of the class, and in keeping in it capable helpers who, if they leave it, too often join with others in trampling upon their own order. This feeling would no doubt grow but for the insecurity of the workman's lot, through the irregularity of employment and the uncertainty of the rates of pay; but it is an anomaly which needs correcting, that men should find it more advantageous to leave the ranks of the producers to join the already too large army of non-producers. The organisations of labour are not without fault that they do not, as a body, seek to remedy this by taking up the labour question more broadly. The fact is, the aims of trades combinations are too narrow, limited too much each to their own trades. The Trades Union Congress has won complete legal freedom of combination, and it ought now to put in practice the idea of trade federation. The real identity of interest between workmen of all trades must be acted upon, for only the general elevation will ensure to each branch of producers 'security of the wages tenure,' viz. the following of an employment at just rates of pay, without fearing the competition of an outside army of underpaid labour. My contention, therefore, is that, by the completion and extension of scope of their labour organisations, working-men can do much to remedy many of the causes which influence prejudicially both the conditions and the continuity of employment, and the rates of wages.

I am further convinced that, with this increased and concentrated strength, they would not always be content with regulating wages, and with purchasing their necessities unduly taxed by the present cost of distribution, but would aim to apply their energies and accumulated funds to the perfect unity of capital and labour in productive and distributive co-operation. Wealth would then remain, to a larger extent, in the hands of the people, and a greater level of natural demand would be

maintained, with the consequence that trade would experience much less of the winter of depression and more of the summer of prosperity.

Though contending for more union among working-men, I should prefer to see fewer strikes, and believe that the strength and discipline of the former would ensure the latter. Strikes necessarily interfere with the continuity of employment, though they sometimes win better wages; but equitable arbitration has often brought this advantage without the loss and consequent misery of a trade conflict. But even Boards of Arbitration have sometimes failed to retain the confidence of the operative class because of the great difficulty existing on the workmen's side of ascertaining the real facts and figures of the state of the trade concerned. When the awards of umpires have been based upon unverified figures furnished by employers, a very reluctant obedience has been given by the workmen to the decisions against them, and the arbitration machinery has been discredited. Workmen, in such cases, have a right to claim the fullest information concerning the position of the trade which their skill and labour sustains. This could be obtained, and many other advantages to both the partners in production, by the formation of Boards of Industry composed of workmen and employers, each representing a complete organisation of their own side. Many a trade conflict would have been prevented if the trusted leaders of labour had known independently of, and previous to, an attempt to reduce wages, that the state of trade warranted a revision. Of course I am now speaking mainly of trades in which the rates of wages rise and fall with selling prices.

These Boards of Industry, properly organised and conducted, would be capable not only of regulating wages more satisfactorily and equitably, but also of advancing the best interests of the trades represented by promoting the technical education of the workmen, and the suggestive faculty of the operatives as to improved modes and processes of production might be fostered and utilised by these boards. The friends of the working classes deplore the slow progress made in the practice of co-operative production and industrial partnership. One cause of this is the

little knowledge possessed by the mass of operatives in the business of their trade, that knowledge being mainly limited to their own manipulative work at the bench. From the merely selfish capitalist standpoint these Boards of Industry will be objected to because they would enable workmen to know too much for the continuance of the present relations of capital and labour ; but at least the idea may commend itself to those capitalists who favour the principle of industrial partnerships, to which these boards would easily and naturally tend.

One of the principal causes that influence prejudicially both the continuity of employment and the rates of wages is the application of labour-saving machinery. The artisans of England are too intelligent to contend against such cheapening of production, as they know the result has been beneficial to mankind ; but many of them think it is a hardship and injustice which deserves more attention, that those whose skilled labour is often superseded by machinery should have to endure all the loss and poverty, through their means to earn a living being taken from them. If there is a real vested interest in existence which entitles to compensation in some form when it is interfered with, it is that of a skilled producer in his trade ; for that skill has not only given him a living, but has added to the wealth and prosperity of the community, and neither the inventor, the capitalist, nor the public at large have a complete moral right to absolutely take from him all his interest in the trade which he has followed. If such Boards of Industry as I have suggested existed, it ought to be within their province to regulate the application of new mechanical contrivances to their trades, giving the workmen at least some share in the labour-saving. As it is now, enormous fortunes are reaped by a few moneyed men, who first apply the machine to supersede labour, in the end certainly benefiting the public, but meanwhile starving the men whose skill had previously been considered part of the nation's richest inheritance. I do not think that this regulation of the application of inventions to industry in the interest of producers as well as capitalists would retard such development, but rather the contrary, for workmen themselves would be stimulated more to exercise their talents

in this direction when they knew that they, and their class, would share in the immediate advantages.

Surplus labour has, certainly, a most prejudicial influence both upon the regularity of employment and the rates of pay. This exists to some extent when trade is moderately good, but when it is depressed, as now, the cry of the unemployed in this country for work and food is pitiable. Recent events prove this. The remedies, without discussing population theories, are the employment of more people on the land at home, and State-aided emigration to our colonies. 'Why were these people born to trouble us?' is the cry of some economists. The reply of the out-of-work poor, and of those only partially employed, through the crowding of labourers, is: 'Surely we have as much claim to be helped from the national funds, so that we may earn our living, as Egyptian bondholders, whose investments have been protected by millions being spent and lent for the purpose.' A great national measure of colonisation would not only relieve the glut of labour at home but in time repay the cost to the nation, by turning those who, by their competition for work, lower the value of labour, into future customers for our home manufactures. I do not think there would be any great difficulty in finding the right men, willing to leave their poverty behind them, if the Government would decide to establish them in the colonies. A fraction of the money that has been spent in useless wars, and a portion of the national income that is misused in finding pensions and places for the rich, would, employed in this manner, confer a great advantage upon the struggling labouring class. If some of that English capital was used for the purpose, under a State guarantee, that is invested abroad, Englishmen would be directly benefited in the use of that capital which their own labour originally assisted in producing.

Some people will say that it is not the proper function of Government to interfere in such a matter; but in the future it will be found that the first obligation of the State will be to the masses of the people. Flesh and blood now do not merely represent work, but actual power; and the bread-and-butter question will have to be considered and practically dealt with

by the statesmen of the future. Our Legislature has hitherto been among the slowest to move of our national machines, where the people's welfare has been concerned. Its greatest triumph—the abolition of the taxes on food—was brought about by a starving people's revolt against its previous unjust enactments; its greatest reforms have been the tardy recognition of political rights that have always existed. The power of the privileged few to hinder proposals to aid the common people, whose energies have made the nation great, has been shattered, and the helpful hand, to enable the toilers to fight the battle of life with the fewest artificial drawbacks, will have to be extended.

The conviction is every day growing stronger that the land of our nation is not yielding all that it is capable of producing in food for its own people. A great number of them should find a living by cultivating it, and then a greater number of artisans will find employment in supplying the English tillers of the soil with manufactured goods. More regular work and higher rates of wages must result. The existence of a single acre of waste land that is capable of profitable cultivation is a national reproach, in the face of our enormous pauperism. The land of the nation should in future do a larger part in bearing the national burdens and in producing wealth.

There is, however, a sense in which more evil is done by the misuse of land, or its products, than by the non-cultivation of it. More than 2,000,000 acres—equal to the area of the counties of Kent, Surrey, Middlesex, and Berkshire—are needed to grow the grain to manufacture the 134,000,000*l.* worth of liquor consumed in this country annually. Mill says 'the legitimate employment of the human faculties is that of compelling the powers of nature to be subservient to physical and moral good,' but here we see enormous waste of human energy and of food, a terrible misdirection of human effort, that tells more adversely than any other single cause upon both the continuity of employment and the rates of wages. In the fifty years from 1830 to 1879 the total amount spent in drink, after adding interest to the principal sum, reached the astounding total of 13,461,000,000*l.*, which is more than half as much

again as the whole capitalised value of all our national wealth, which Mr. Giffen puts down at 8,500,000,000*l.* The yearly cost of drink to the nation is 200,000,000*l.*, or one-fifth of the national income. Reducing the significance of these figures by one-half, as a concession to those who contend for the moderate use of drink, it is still clear that if only the other half had been diverted into the legitimate channels of trade, both more employment and more wages would have been the portion of the working classes. Now that the people have complete political power, this greatest of their industrial enemies must be dealt with, and the practical mode of grappling with it is to throw the responsibility of the trade directly upon the people, by giving them the right in any locality to vote for its abolition or continuance. Let it, then, be brought clearly home to the working classes that the man who spends a large portion of his earnings in drink is an enemy to the community, by being a cause of bad trade and poverty to others, as well as to himself, and then the country will not long have the service of so many throats in the raising of a revenue by practices which mean the squandering of its wealth. At present all that is best in the life of the nation recognises this as the giant social and industrial evil of our time, yet statesmen seem afraid to attack it. Let the task be given to the people. Town after town, district after district, will then free themselves from the fatal facilities for making their inhabitants, not only foes to their own labour and wages, but also destroyers of the moral health of the nation.

Rates of Wages and Combination.

BY J. MAWDSLEY.

THE objects of this Conference are to contribute in a more or less degree some light on the question of whether the various classes of the community obtain a fair share of the products of their industry, and what, in the opinion of those who may take the negative, are the best means of obtaining that result. The

subject is one that has been discussed in one form or another almost since mankind first made their appearance upon the earth, and has probably had devoted to it more scientific skill and brain power than any question of modern times. Under these circumstances I have not ventured to address you with the impression that I could lay before you any new ideas, or even put old ones in a new shape; all that I hope to accomplish is to set before you as clearly as I can the views I myself hold, in common with thousands of Lancashire factory workers.

The subject above referred to is capable of considerable subdivision, and the particular points I have been requested to speak upon are—1st, the continuity of industrial employment, and, 2nd, the rate of wages.

I may dismiss the first part of my subject in a very few words, for the reason that in the cotton trade we have no complaints to make on the point. Although short time has at rare intervals, but only then in isolated cases, made its appearance, we may, for all practical purposes, say that since the American civil war no system could have given greater regularity of employment than has been the rule with factory workers so far as the regular working of the mills is concerned. I am fully aware that other sections of the great army of toilers have not been in the same position, but seeing that all the leading industries of the country are represented here, it would be a piece of unpardonable assumption on my part were I to give any advice on this point, as the conditions and requirements of the textile trades differ so much from those of most other occupations.

Seeing, then, that in the cotton trade we have little to complain of so far as regards regularity of employment, I may now turn to the question of wages. Without going into minute subdivisions, there appear to me to be four broad systems on which a man may sell his labour, assuming, of course, what is now in England almost universally the case, that he is paid in cash; and they are:—

1. Where the workman stands alone and offers his services to the highest bidder.
2. Where he voluntarily joins with others to produce finished

articles, or do other kinds of work, and receives his proportionate share of the profits in place of, or in addition to, his weekly wages.

3. A compulsory social system whereby every person born into the world would be expected to perform a certain amount of work, the results of which would go into a common fund, from which every person would be entitled to a livelihood.

4. The system by which the men in every trade combine together to prevent undue competition forcing down wages below a fair rate in depressed times; and for securing, when trade is prosperous, a corresponding improvement in their position.

Taking the first, we may roughly assume (as the exceptions were so few as only to prove the rule) that the working classes of England were in that position at the beginning of the present century, and as a matter of fact the majority of them remain so yet. It is held by many able thinkers that it is the proper and natural condition of the labourer; but we do not judge a system by the rule as to whether it will fit in with a cleverly worked out theory of natural laws, but by its results on the workman himself. Adopting this standard, it has been a complete failure. When trade is brisk and the demand for workpeople exceeds the supply, its faults are not seen; but when the reverse is the case we know, to our cost, what starving men and women will do. The result of this is a fluctuation in wages, which is the bane of our class, as when a family have been accustomed to having from the whole of its members and spending, say, 40*s.* per week, and are reduced to an income of 30*s.* per week, it is not often that the ordinary rank and file can come down, and in the hope that matters will soon get back to their old standard, they run into debt, and in many cases hamper themselves for the rest of their lives. Although the actual money obtained is less, I consider it better for a family to have 35*s.* per week for 50 weeks in the year, than 40*s.* for 25, and 31*s.* per week for the other 25. In the first case they know what they have to depend upon, and, unless they are depraved, they will act accordingly. But not only does the system of each man acting for himself tend to irregularity in wages; it also

prevents him getting so good an average; as when there is a surplus of labour in the market the price goes rapidly down, whilst in the reverse case it only goes up slowly. Time will not permit me to illustrate these various points, but cases will, doubtless, occur to most of my hearers.

The second system I have noted may briefly be termed 'productive co-operation,' which, for my present purpose, does not include distribution, further than the term will apply to the articles manufactured. This form of working has much to recommend it, but in the present state of society (and it is that with which we are dealing) it fails to satisfy all the parties concerned. If a large centre of population be taken, and a workshop be started on mutual principles, with a carefully selected staff of workmen, it might, and probably would, be a success in industries which were almost, or nearly, confined to our home trade. In industries depending largely for their prosperity on exportation of its products, with its corresponding fluctuations in profits, it is almost certain it will (as it has repeatedly done in the past) break down. The experiment has been tried in the cotton trade, and so long as the operatives received the current wages of the district, supplemented by an occasional bonus, matters went smoothly along; but when profits vanished, and they were asked to assist in making up the losses from their wages, they declined. It might be urged that if the workmen themselves were the capitalists, this would not be the case; but this, from the very nature of things, is impossible. A spinning-mill requiring a capital of, say, 70,000*l.* would not employ more than about 200 hands, and of these, probably, about 60 might be heads of families. Assuming they were all of a saving disposition, there is no need to state that they would not possess the requisite capital to build and work the concern. Capitalists, in the form of outside shareholders, would therefore have to step in, and as in the past they would in the future strongly object to pay above the current wages in good, without a corresponding advantage in bad, years. Where the workman is a small shareholder he attaches much more importance to his weekly earnings than to his quarterly dividends, and if one has to suffer he prefers it

should be the latter ; and if we add to this that the great bulk of workmen are not and do not wish to be investing shareholders in the concerns that employ them, we have ample ground for the assumption that co-operative production does not offer a satisfactory solution of the difficulties existing between capitalists and workmen.

The next method is one which is what I understand to be formulated by the Socialistic party. I have read several of the works issued by the leaders, but I am far from being sure that they will accept my brief description of their aims ; but I cannot interpret them in any other way, when I find them proposing to take over the trading, banking, shipping, railway, and all manufacturing and other enterprises, which are to be managed by the people, who will appoint their own overseers and superintendents, &c., and in which everybody has to be found full employment, under what it is assumed will be satisfactory conditions. This is a glowing picture, but I have not yet seen their proposals for dealing with the idle, the thriftless, and the vicious. Were it possible at one stroke to adopt the system universally throughout the world, without inflicting injury upon anyone by the change, we should in a generation be precisely where we are to-day. The strong-bodied, the strong-willed, and the intelligent portion of the community, backed up by the steady-going members of the rank and file, would occupy the influential and, as a consequence, remunerative posts, whilst the idle, thriftless, and vicious classes would, as at present, fill our gaols and poorhouses. Were it adopted in one country alone, say Great Britain, we should soon be in the position of being a nation of shopkeepers without customers, on account of the immensely increased cost of production. The idea could only be a success when the highest possible ideal of human nature was universally prevalent. It is scarcely necessary to say that the present generation need not make any arrangements which may be required when that time arrives.

The last proposition to which I shall refer for securing the labouring classes the greatest benefits they can derive from their work is—to put it in a manner which all will at once understand—trades unions. It is possible that in supporting

this as the best means for obtaining the end referred to, I may be accused of supporting the 'shop'; but when a man is placed in an official position to support views which he has previously advocated all his life, I fail to see that he should afterwards be debarred from expressing his opinions. As previously hinted, I have not sought to go deeply into the arrangements *pro* and *con.* on the points raised, as with the limits imposed upon me that would be impossible; I have therefore contented myself with giving summarily the views held by intelligent workmen in the cotton trade, and in saying that 'combination' is the nearest approach we can obtain to a perfect system, I am merely stating what we regard to be a simple truism. I am far from saying that 'unionism,' as adopted by the various trades, is perfect, or that we have—taking workmen all round—got near to what we may attain to. We are, however, slowly but surely working upwards, and in the principle I see the possibility of abolishing all pauperism and poverty which reaches the starving point, always, of course, excluding the classes who can never be made to work. In any occupation in England the proportion of respectable unemployed hands, as compared with those in work, is easily ascertainable. To this may be added a certain proportion for sick, and an additional number to represent old people, incapacitated for work; and when this is done, what is there to prevent the whole of the workers in that trade paying such a weekly sum as would cover the allowances required to prevent the persons above referred to from sinking into pauperism? It may be urged that all the workers in a trade could never be induced to join such an Association, and this I admit; but those who refused would just be the parties who would object to join in any arrangement which necessitated their working in harmony and on the same lines as their fellows. All the elements which could possibly render a movement successful are there; they themselves would have sole control of their contributions, whilst at the same time they have before them examples of brilliant success which no other system can lay claim to.

Cotton spinners have probably more difficulty in providing for their out-of-work members than any other class of workmen.

The system by which two lads are employed as assistants to every man makes it self-evident that there would, under the most favourable circumstances, be a large amount of adult surplus labour. When to this is added the fact that the increasing consumption of yarn is provided for by improved and larger machines, without any increase in the number of men employed, the truth of what I have just stated becomes more clear. The circumstances in which the cotton trade is placed prevent any alteration of this system, and the result is, that hundreds of our operatives have to take to other occupations after reaching manhood. This difficulty on the part of our men in obtaining work when once thrown out more than counterbalances the advantages accruing from the regular working of the mills; but as every spinner in the trade has the option of insuring himself against such contingencies, he gets little sympathy if he fails to avail himself of them.

Coming again to the question of how wages can be affected by the principle of combination, we find even better results than in the unemployed, &c., department. We are told by advocates of other systems that workmen do not get more than half the profit on their productions, and I have heard of cases in London where shoemakers have had to turn out a finished article from a proper quantity of leather, whilst his price for the work and the raw material combined did not reach one-third of the retail price in the saleroom. Can any one, however, say that these illustrations represent the actual facts in those industries where the workpeople are properly organised? Trades unionists have been called the aristocracy of labour, and have been accused of selfishness on the ground that, having obtained all they wanted, they refuse to give others a lift up. What we have done can be done by the working classes throughout the kingdom if they will adopt the same means, which are the simplest that have yet been formulated.

I have just referred to the share of profits obtained by workmen (and when using the term 'workmen' I should like to be understood as including workwomen) in our well-organised bodies. Taking our own trade of cotton spinning, I should be cowardly were I to hesitate in acknowledging that, whilst we

are not doing as well as could be wished, yet, excluding a few exceptional cases, we have during the last eight years had, on the whole, nothing to complain of, when put in the balance against the return capital has received during the same period. Not only has our unionism greatly contributed to this result, but where the employers have had the good sense to frankly recognise it and adopt an equitable basis for settling disputes, they are now almost a thing of the past, and we are glad to concede to the Oldham Master Cotton Spinners' Association the lead in this matter. Should any dispute occur in the mills covered by this Association, the secretaries of both sides are communicated with, and they, together, visit the mill and make the requisite observations, after which they give their decision, which is considered by both sides as final. The result of this system is, that strikes as to the conditions of work, &c., at individual firms are practically unknown. In a trade such as ours, which is exclusively worked on the piece-price system, the advantages of such an arrangement are incalculable, both in securing greater regularity of wages for the workpeople and production for the employers; and it is to be hoped that employers in other parts of the manufacturing districts will ere long follow so good an example, and thereby remove any reason for the strikes which are still of constant occurrence.

It may be expected that I should add a few words on the subject of what should be the amount of a labourer's weekly wage, and how it should be arrived at. I may lay myself open to the charge of not having thought much about it, but to my mind it is a very simple question. There can be no arbitrary rules laid down, and such expressions as that 'a family ought to have what will comfortably maintain them' are worse than useless, as some families would take double the amount required by others. I consider that the remuneration of a working-man ought to be the utmost that orderly and lawful means can compel capital to pay. It may be argued that this course will lead to a constant state of industrial warfare; but I answer that if it does, capitalists alone will be to blame. If employers will step down from the pedestal on which the bulk of them stand, and in place of acting as masters simply

consider themselves in the light of tradesmen, who are in the market with a view to arranging on equal terms the price at which they can purchase labour, and are willing to concede the same right of investigation that they claim and exercise themselves ; in a word, when as a class they are willing to follow the example of the Oldham Employers' Association, we shall have little trouble on the score of strikes. Such a system would not prevent variations in the rate of wages, but were the hints I have previously given adopted, and a good understanding arrived at, this, combined with the magnitude of the issues involved, would have a powerful influence in steadying both sides.

I have now gone over the ground which, at the outset, I set myself the task of covering. Rapidly I may have travelled, but not too fast, I trust, to have made myself clear, and I may summarise my position by saying that I have no faith in universal State organisation of labour. I believe that co-operative production is good in principle, and may commend itself to a few people and in a limited number of occupations, and as such may be a factor in the improvement of the masses ; but if we are to permanently raise the standard of the working class living to a respectable position, we must first and foremost remain a law-abiding community, give every encouragement to capital to settle in our midst : and if this is done, and our workpeople will only organise themselves as they ought and can, they will be able not only to provide for the ills and accidents of life, but also be able to see to it that capital does not take a single penny which cannot, with reason, be proved to belong to it.

DISCUSSION.

MR. J. BURNETT (Trades Union Congress Parliamentary Committee) said that he was a workman and a trades unionist ; he was not there to attack capitalists either individually or as a class. They were met to discuss a system which he and his colleagues believed to be bad, and to see if it were possible to strike out a new idea which would lead to the establishment and the gradual development of a better system. In some respects labour might be termed the modern Midas, for everything that it touched it turned to gold. Unlike Midas, however, it

never suffered through any surfeit of the gold it produced. It was also a noticeable fact, although no allusion had been made to it by capitalist or statistical speakers, that all the advantages that had been effected in the position of labour during the last half-century had been gained by the fights of labour to obtain what it believed to be its rights, and the labouring classes still had to fight to retain their hold upon what they had gained. This fact ought not to be lost sight of, because it was one of the elements in the position of labour which affected continuity in the receipt of wages to a material extent. Much had been said about the increase in the productive power of the country, but figures failed to show what that increase had been. Although it was quite certain that the increase had been attended with great benefit to the community and to humanity at large, at the same time it had inflicted considerable suffering upon the class whose labour had been displaced by mechanical improvements. Unfortunately, as civilisation progressed, and the means of production were increased out of all proportion to the requirements of the world, the number of sufferers was most likely to be a continually increasing class. Therefore, as Mr. Owen had suggested, some means ought to be devised by which labour should obtain its fair share of the increased power of production which improved machinery brought to the world. The inventor or the capitalist made a fortune in a few years, and could retire from trade, but the labour which made the invention a success or produced profits for capital was not placed in any better position. If time would have allowed, he should like to have spoken of the relation of labour to invention and to capital, which was referred to in the paper of Mr. L. Bell, whose figures also he would have criticised. Among things that affected continuity in rates of wages was the exercise of class influence in Parliament. The wealthier classes had continually exerted themselves to defend their own interests in Parliament, and in some cases they had used their influence to retard the progress and oppose the interests of the working classes. Last session the Shipping Bill of Mr. Chamberlain had to be withdrawn on account of the pressure of the shipping associations; and for similar reasons Mr. Chamberlain's valuable Railways Bill failed to pass. The late Postmaster-General introduced a Bill designed to effect some reforms in the Post Office Savings Bank. It was possible that some amongst the working classes might be able to save more than 30*l.* a year, and might wish to have more than 150*l.* in the bank, and therefore he proposed to raise these limits to 50*l.* and 300*l.*; but immediately the banking interest in Parliament brought such pressure to bear upon Mr. Fawcett that he was obliged to withdraw both proposals, and then the labour interest brought such pressure to bear

upon him for eliminating the two best clauses of the Bill that he was obliged to withdraw it altogether. Here are so many instances of the direct opposition in Parliament of class selfishness. The interests of the working people were disregarded by the bankers, who desired to retain in their own hands as large an amount as possible of the capital of the country. We knew that one great cause of the want of continuity in employment was that there were fluctuations in trade, and periods of prosperity brought large demands suddenly. In many trades these were met by working overtime. Every man who works overtime four quarter-days takes away a day's work from another man. If twenty men work a day and a quarter instead of a day, they do the work of twenty-five men. This involved a considerable displacement of labour, and although it might be unavoidable in some cases, yet, by night shifts and by employing relays of men, it was possible to produce the required quantities of goods, and such arrangements would provide better employment for the whole body of workmen. He was afraid that we went in too much for the production of quantity; we were always talking about quantities, and comparing our quantities with the quantities of other nations. We had better—manufacturers and workmen—go in more for quality, as a policy that would be better for workmen, for employers, and for humanity at large; and it might retain for us a share of the prosperity which seemed likely in the prevailing competition to slip away from us. As to the division of the increase of wealth in the last few years the most striking figures had been quoted. It was said that from 1868 to 1879 the increase of wealth had been 242 millions, and of this increase 99 millions went to labour and 143 millions to capital. But to the increase of population labour contributed 97 per cent. and capital 3 per cent.; yet labour received only 41 per cent., and capital received 59 per cent. This seemed to show that the increase of wealth during the last eleven years had not been equitable. What they had to consider now was, not whether the position of the working man had been improved, and whether he got more wages now than he did fifty years ago, but whether there had been that improvement in the position of workmen that they had a right to expect. Everything had been progressing, and we believed the world was better than it was fifty years ago; therefore it was not to be wondered at that wages had increased and hours of labour decreased; it would be monstrous if the position of the worker had not improved. In Mr. L. Bell workmen recognised not only a man of ability, but also one of natural kindness of heart, and therefore they were glad to welcome him, as a capitalist and an employer, on a neutral platform on which these questions were to be discussed. Mr. Bell had given some figures relating

to the chemical trade. Of that trade at one time he had some knowledge, and he recollected the balance-sheet which was issued by Mr. Allhusen, a chemical producer, when he was desirous of transferring his successful chemical manufactory, which had made him a millionaire, to a limited liability company. That balance-sheet would show a state of things different from that described by Mr. Bell. Mr. Bell and he were associated in the settlement of a dispute between chemical operatives and employers in the beginning of 1875. At that time the condition of the workers was almost worse than that of any class of labourers in the country. Not only were they ill paid, but they worked amid surroundings which were incompatible with the enjoyment of physical health. Since that time the wages of the workers were stated to have risen 35 per cent. How was that to be accounted for? The dispute referred to was between the Newcastle Chemical Company and their workpeople. At that time the Company had adopted all the improvements in the manufacture of soda, and they could have produced sufficient soda to supply the wants of the world. Some other manufacturers still conducted their business in the old ways, and had not got improved plant. The result of the arbitration was that the workmen of the Newcastle Chemical Company had their wages reduced about 10 per cent. One agreement of the arbitration was that there should be an adjustment of rates on the principles laid down in all Tyneside works. Mr. L. Bell unfortunately was not associated with him in the subsequent arrangements with regard to those old-fashioned establishments. In the readjustment of wages in those concerns some of the workmen were found to be so underpaid that an advance of 50 per cent. had to be made in order to bring them up to their proper position. That accounted to a large extent for the 35 per cent. increase referred to by Mr. Bell. It also explained the disappearance of those small and old-fashioned firms from the field of chemical operations in the north of England. As to the price of food, that was a question altogether apart from the relation of workman and employer. The question was not how much or how little the workman could live upon; that was a false and bad argument, the tendency of which was to bring the workman down to the lowest point of subsistence. The question rather was, what was the skilled labour employed entitled to? The figures as to the wages of miners in the north of England might have been fairly stated; but what was the position of the miners fifty years ago? They were not then organised for the purpose of obtaining adequate remuneration for their labour as they are now. In Westphalia there was no such organisation, and therefore it was unfair to say, as Mr. Bell had done, that wages were so much lower in Westphalia than they were in England

or Scotland. The fact that the comparison had been made carried with it an important lesson for workmen. Labour has had to fight for all it had gained in the past, and it would have to fight in the future until a better system was devised. Let workmen then join organisations to promote their own welfare, to maintain the position they had gained, and to secure their further advancement in the future.

Mr. W. G. BUNN (Hearts of Oak Benefit Society) said it had been made clear that statistics might be prepared and used in such a way as not to be entirely trustworthy, and therefore personal experience in trade matters was more valuable than second-hand information. He wished to speak from experience in reference to the subdivision of labour among artisans and mechanics, the influence of this subdivision upon the rates of wages, and upon the moral and social status of workmen. He referred particularly to two trades carried on mainly in the metropolis, viz. cabinet-making, and the making of musical instruments, chiefly pianofortes. A great many of the men employed in these trades had almost entirely ceased to be artisans in the real sense of the word, in consequence of the subdivision of labour. Originally, a cabinet-maker was a man who could produce almost any piece of furniture you named; but in the modern sense of the word he was a very different person. The trade was in some workshops so subdivided that often he was very little more than a labourer, in the sense in which that word was used in other trades. Instead of a man being competent to act as an artisan, he was often only able to produce one particular article of furniture, and sometimes only a portion of that article was committed to him. The result was that men, instead of having to learn trades, were content 'to pick up' enough to earn a precarious living. In the pianoforte trade, in which this subdivision was carried even to a greater extent, apprenticeship was almost entirely abolished. It was a cruelty to any lad (often committed in ignorance) to apprentice him to pianoforte making for a period of seven years. It was a cruel waste of time. What would an apprentice learn? He might go to the shop of one of the largest manufacturers in London, and learn only a very small section of the trade indeed, the knowledge of which could be acquired in a comparatively short time, say in one or two years. To his knowledge there were men working in some shops who were employed in no other way than in simply cleaning off and preparing for the polisher. To be confined to such monotonous work must have a material effect upon the rate of wages, and also upon the intellectual capacity of the workers. If you cramp a man's intelligence in one direction you cramp it in all. If a man is

content to live on wages which he can earn without the exercise of intellectual faculties, he is often unfitted to be a citizen, and disqualified for other walks of life, and indeed spoiled all round. The effect of this upon rates of wages can be easily understood; the men who are able to work only in certain particular and limited branches of trade are those who are most frequently out of employment. The other day he met a fellow-workman who had been out of work five or six weeks; the trade had been fairly busy, and three or four men were wanted, but not in his department. The consequence was that he was walking the streets when he might have been working if the trade had not been so subdivided. This man had served seven years' apprenticeship in one of the leading shops in London, and they had turned him out a 'finisher,' utterly incapable of turning his hand to any other department of the trade. Another result of this subdivision was the introduction of 'piece-work,' with its attendant evils of slaving and scamping, which at the present time would describe the condition of a great portion of the pianoforte trade. The introduction of piece-work often had the effect of encouraging bad work and underpaying. When a price had to be fixed, the fair average workman was not taken as a criterion. In every shop there were slow workmen and quick workmen, and very often the slow workman turned out the best work, but frequently the time of the quick workman was adopted as the criterion by which the price was fixed. The natural consequence was that the slow man went to the wall. The quick man would be able to earn 35s. or 2*l.* per week, while the slow man, who often did better work, would earn only 25s. or 30s. This was the case in many shops in the metropolis. It was all very well to point out the evil, but it was much more difficult to find a remedy. He believed that combination among the workmen was one of the most effective remedies. In the trades to which he had referred, combination, in the form of trade unionism, was weakest. In the building trades combination was much more complete. The needed remedy could be applied slowly but surely in promoting a better knowledge of the trade, and in a better diffusion of technical instruction. Nothing was more likely to benefit the condition of the workman in the future than to make him a better man himself. If he were made a more competent and a more worthy man, he would command better pay; and if his work were done in an intelligent and scientific way, it would be more profitable to the man who performed it and to the employer too. If in this technical education you gave a man a better insight into the principles of his trade, you would do much to remedy the evils of which he had spoken. There were hundreds of men in the musical instrument trade who had not the

slightest knowledge of the principles upon which the instruments were constructed. If a person, about to select a pianoforte, sought the advice of a man employed in making pianos, the probability was that the purchaser would be deceived by the advice that would be given him by the ill-informed mechanic. Organisation was important on account of the great influence it might exercise socially. It was a matter of much regret to him that, in workmen's clubs, political objects had been thought of, while intellectual and social objects had been almost entirely ignored. (No, no.) His opinion had been formed from personal knowledge and observation. A great improvement in the management of these clubs would be the establishment of technical classes for men employed in various trades. Such classes did not exist to any great extent, and the fact that where they had been introduced they had not been found to answer was a fact to be regretted. By perseverance these clubs could be made to exert a great influence in the future in improving the position of workmen, and in improving their knowledge of the trades in which they were employed.

Mr. BRADLAUGH, M.P. (Land Law Reform League), said that Mr. Bell had accurately remarked that any comparison of the daily pay of the British and the foreign workman would be misleading, and in making that remark he was speaking of the result to the employer. He would suggest to all who considered the matter from Mr. Bell's standpoint, that the comparison was also absolutely misleading if you disregarded the position of the workmen. You have to take into consideration their habits of life, and the cost of living to the workmen in each nation. The traditional, and he might almost say the necessary standard of living in this country was more costly than was the standard of living in the countries to which Mr. Bell had referred. This had been illustrated to him by his three journeys in the United States. The habits of life of the bulk of the Germans there were less costly than those of English labourers in the same trades; and the Germans lived up to what seemed to be to them a higher degree of comfort than English labourers, on the same or even lower wages. It was for our working men to consider whether it was possible to diminish the cost of living without decreasing the standard of comfort and without decreasing the condition of health necessary for efficient labour. It was generally admitted that in the southern countries of Europe, such as Italy and Spain, labour was not so well fed as in this country, and therefore it was not so productive. Mr. Bell had said it was pleasant to reflect that disputes between employers and employed had been amicably settled by boards of conciliation and arbitration; but no one knew better

than Mr. Bell the difficulty there was in these arbitrations in obtaining reasonably exact statistics on which decisions could be based. There could not be any fair arbitration satisfactory to the men until we had bureaux of the statistics of labour, similar to those which had existed for seventeen years in Massachusetts, which had been established in Connecticut, and in which an experiment had been made to some extent at Washington. We wanted statistics of the cost of living as well as of the wages paid, and by the cost of living he meant more than the bare supply of food and of shelter in the ratio of coal to the engine; he meant the term to include comfort and leisure for the labourer as well as the mere renewal of the strength expended. These returns were wanted for every trade in the country. He did not think that the collection of such statistics would be costly, but the cost must be considered with reference to the result to be arrived at. The little State of Massachusetts, with comparatively small funds, showed what could be done in the collection of useful statistics from all parts of the world—a work for which we had already much of the necessary machinery. Our Consular reports had already been utilised in the collection of some statistics. The form in which the information they obtained was published made it useless to the workman, who could not go through their reports to extract for himself what might be useful. For the use of workmen the statistics furnished by the consuls required to be properly arranged. In England there ought to be an office established by statute for the collection of statistics from employers and employed in all trades. No trades council would be able to do this on its own motion. There was a disposition to make secrets of matters which were not secrets, and which were known to or could be got at by well-educated persons taking interest in the subjects; and it often happened in arbitration that men on each side argued about matters which were known as if they could be concealed. To secure the employment of more labour on land, we wanted legislative enactment. It was a simple matter to provide that all land in the United Kingdom, capable of being cultivated with profit, and not under cultivation or properly utilised, should be forced into cultivation. Of course he was not speaking of land that was in use or enjoyment in connexion with residences or as open spaces in towns, but of land fit for or set apart for cultivation and allowed to go out of cultivation. The penalty in such cases ought to be the forfeiture of the land to the State upon payment of, say, twenty years' purchase, based upon the actual income from it of the seven or ten preceding years, or whatever might be deemed the proper period to take prior to the forfeiture. There was land in the country which, in part or

altogether, escaped contribution to imperial taxes and to local rates, and which ought to contribute to both, besides lessening pauperism by giving employment to the labour that would be absorbed by the cultivation of it. These were points that were worthy of discussion, and having mentioned them he would not, for the sake of speaking, occupy more of the time of so important a conference. (Applause.)

The CHAIRMAN said he regretted that he was compelled to disappoint fourteen speakers by closing the present discussion.

Mr. L. BELL, in reply, said he had been asked whether, in calculating the wages of Cleveland farm labourers, he included foremen, and whether in point of fact the figure he had mentioned was the average of the wages of the district. All he could say was that he happened to belong to the class of gentlemen farmers, and he found the results at the end of the year were what he stated. He then made inquiry as to the rates of wages paid in his immediate neighbourhood. He was assured by those whose duty it was to attend to that part of the business that he was paying the same rate of wages as was being paid all around his own farms.

Mr. SNOW said that did not answer the question he had put yesterday. It was a question of accuracy of statement. He denied the accuracy of the figures given yesterday by Mr. Jeans from Mr. Bell's book as indicating agricultural labourers' wages in the Cleveland district, and he made the denial from his own knowledge. The question he put to Mr. Bell was whether he had collected figures from a majority of farmers or labourers, and he wanted an answer, so that it might be known whether Mr. Bell could verify the figures he had quoted, or whether the denial of them involved a false statement.

Mr. L. BELL said he was not accusing Mr. Snow of making a false statement. Mr. Snow had made a statement to the best of his ability, and he (Mr. Bell) had answered it to the best of his ability. No one could form an opinion as to the state of trade in a district from the statements made in a prospectus for converting a private concern into a limited liability company. When that prospectus was issued the chemical trade was in a state of unprecedented prosperity, and no doubt the vendor and the inventors formed sanguine expectations as to the duration of that prosperity.

A DELEGATE asked whether Mr. Bell could give the average wages of all employed in the rolling mills.

Mr. BELL said that as regarded the blast-furnaces, he could answer the question pretty accurately. The average of the wages earned by all classes at that time was something like 4s. a day for seven days a week, or 28s. a week.

*How far do Remediable Causes Influence Prejudicially
(a) the Continuity of Employment, (b) the Rates of
Wages?*

BY PROFESSOR ALFRED MARSHALL.

I HAVE been asked to say something on the first two questions on our programme to-day. They are far too difficult to be thrashed out at a conference. But I imagine that the object of our meeting is not to argue with one another; that cannot be done properly except in books. It is that, being people of many different opinions, but all having for our supreme aim the well-being of the working classes, we may get to feel less strange towards one another, and to enter more into one another's point of view. My point of view is that of the hum-drum economist.

In one sense indeed I am a socialist, for I believe that almost every existing institution must be changed. I hold that the ultimate good of all endeavour is a state of things in which there shall be no rights but only duties; where everyone shall work for the public weal with all his might, expecting no further reward than that he in common with his neighbours shall have whatever is necessary to enable him to work well, and to lead a refined and intellectual life, brightened by pleasures that have in them no taint of waste or extravagance. But I fear that socialists would refuse to admit me into their fold because I believe that change must be slow.

I admit that even now every right-minded man must regard himself rather as the steward than the owner of what the law calls his property. But there are very few directions in which I think it would be safe at present to curtail his legal rights. I admit that Utopian schemes for renovating society do good by raising our ideals, so long as they are only theories. But I think that they do harm when put prematurely into practice; for their failure causes reaction.

Economic institutions are the products of human nature,

and cannot change much faster than human nature changes. Education, the raising of our moral and religious ideals, and the growth of the printing press and the telegraph have so changed English human nature that many things which economists rightly considered impossible thirty years ago are possible now. And the rate of change is increasing constantly and rapidly. But we have not now to speculate for the future; we have to act for the present, taking human nature not as it may be, but as it is.

Even as human nature is, an infinitely wise, virtuous, and powerful Government could, I will admit, rid us of many of our worst economic evils. But human nature is, unfortunately, to be found in Government as elsewhere; and in consequence Government management, even if perfectly virtuous, is very far from being infinitely wise. Where, as in the Post Office, centralisation is necessary, it does better than private enterprise; but when it has had no such advantage it has seldom or never done anything that private enterprise would not have done better and at less cost. The total remuneration that competition awards to men of business is probably less than would in most cases have been wasted without good to anybody if the same business had been done by Government. But wastefulness is the least evil of Government management. A greater evil is that it deadens the self-reliant and inventive faculties, and makes progress slow. But the greatest evil of all is that it tends to undermine political, and through political, social morality. For if a voter thinks that a candidate for Parliament or for the town council seems likely to help him to a favourable contract, or to protection to his special industry, or to a higher salary than his work is worth to the community, then, human nature being what it is, he is likely not to regard his vote as a sacred duty, but to use it for his own pecuniary interests. The greatest calamity that has ever happened to the United States is the political corruption which has grown up through money's being allowed to influence politics. This has not injured the wealthy, who can take care of themselves, so much as the working classes. They have lost a pound for every shilling that Government interference

has given them. Therefore, I say, let us avoid asking Government to interfere in business, whether to make employment continuous or for any other purpose, unless its action will give a very large balance of direct good; for whatever tends to bring money into politics leads to great loss to all, particularly to the working classes. In some cases, as, for instance, in water supply, the direct gain of Government management may be so great as to make it worth while to pay this cost. But in spite of all that has been written lately by socialists, especially in Germany, advocating Government action as a remedy for discontinuity of employment and for low wages, I do not think a strong case has been made out for it. The direct good resulting from it would be small and doubtful, the indirect harm grievous and certain. Leaving, then, others to suggest, if they will, heroic remedies, I shall confine myself to such as claim only to be harmless, and to give a quiet, but in the long run substantial, aid towards making labour more continuous.

Forced interruption to labour is a terrible evil. Those whose livelihood is secure, gain physical and mental health from happy and well-spent holidays. But want of work, with long-continued anxiety, consumes a man's best strength without any return. His wife gets thin, his children get, as it were, a nasty notch in their lives, which is perhaps never quite overgrown.

There is certainly a want of employment now. It is true that statistics seem to show that things are not so bad as they look. This is to be expected. For where labour is specialised and employed in large groups, every interruption is conspicuous and likely to be overrated. In backward countries irregular employment is, so to speak, the rule; as it was in England in earlier days, and is even now with jobbing masons and others who work on their own account. Because it is the rule, very little is heard about it. I believe that, thanks to the breadth of our markets and the freedom of our trade, we are suffering less now than most other nations. Still there is much chronic depression in London, due chiefly to unwise immigration into it (see Appendix A). And there is acute depression in several

districts. It does not make us the better that others have been and are worse off; but this may be a reason for thinking that we are on the whole moving on the right track.

There are some causes of discontinuity of labour which lie outside our scope, such as wars; some which we cannot remedy, such as bad harvests; and some which we should not wish to remedy, such as new inventions. Almost every invention does some partial harm; and as the rate of invention increases so this harm increases. But as there is a large net surplus of good, all that is to be wished is that those who reap the great good should bestow some of it to shield those on whom the harm falls. This is already done to some extent voluntarily; it might be profitable to inquire whether it could not be made compulsory in some cases.

The causes which lie within our scope, and are remediable, are chiefly connected in some way or other with the want of knowledge. But there is one striking, though not very important exception. It is fashion. Until a little while ago it was only the rich who could change their clothing at the capricious order of their dressmakers. But now all classes do it. The histories of the alpaca trade, the lace trade, the straw hat trade, the ribbon trade, and a multitude of others, tell of bursts of feverish activity alternating with deadening idleness. Everyone who changes the material of her dress simply at the bid of fashion, sins against the spirit of art; but she also probably adds to the wreck of human lives that is caused by hungry pining for work. My first remedy, then, is to avoid following all the vagaries of fashion: it would not reach far, but it is an easy remedy.

To pass, then, to the deficiency of our knowledge. I have been struck by the frequency with which, during the last few years, readers of the *Economist* have been warned of impending dangers which have overtaken those short-sighted traders who look only at what is just before them and follow their leader. And the same is no doubt true of the more specialised trades newspapers. In spite of the increasing complexity of business, commercial panics are now much milder than they were; and this is chiefly due to the timely warnings given by the press.

Economic science itself is in infancy; but if the very little it has to teach were generally known by traders, if they were educated to think in a scientific way about the action of economic causes, they would bring to bear an amount of knowledge and mental power that would soon throw into insignificance all that economists know now. My second remedy, then, is more work at economic science; a wider diffusion of the very little that is already known; and an increase of the good work already done by trade newspapers.

One great hindrance to knowledge is the excessive secrecy of traders. When everyone else keeps his business as secret as possible, no one likes to make his own public. But if no one had secrets, everyone would be better off than he is now. Joint-stock companies in general, and co-operative societies in particular, do something towards lifting the veil. But much more is wanted. It cannot be done quickly; but discussion may gradually raise a moral feeling against needless secrecy; and this is my third remedy. Government might do a little; it might begin by publishing income-tax returns in local newspapers; a tax on honesty does harm in many ways.

So far as to honest secrecy: but next as to dishonest. My fourth remedy is to reverse the presumption that if a dishonest bankrupt fails for a large sum of money he should therefore be let off with a small punishment on the ground that he is likely to feel any punishment deeply. In dealing with an ordinary criminal, recklessness as to the extent of the harm he does is a ground for a heavy sentence. This principle should be applied consistently. Given two acts of commercial dishonesty, similar in other respects, but of which one causes injury only to a few, while the other, like the Glasgow Bank failure, spreads desolation through thousands of homes, the latter ought to be far the more heavily punished. If judges could be induced to treat more severely fraud whenever it is found in the high ranks of business, particularly among promoters of companies, the industry of the country would become steadier.

Better and more widely diffused knowledge is a remedy for that excessive confidence which causes a violent expansion of

credit and rise of prices ; and it is also a remedy for that excessive distrust that follows. One of the chief sources of disturbance is the action of the general public in providing funds for joint-stock companies. Having insufficient technical knowledge, many of them trust just where they should not : they swell the demand for building materials and machinery and other things, just at the time at which far-sighted people with special knowledge detect coming danger, and this reacts on other trades (see Appendix B). Mistakes of this kind will always be made by *bonâ fide* investors ; we can look only for their gradual diminution by the progress and diffusion of economic knowledge. But more wanton mischief is done at such times by reckless speculation. Legitimate speculation benefits trade in the long run ; but mere gambling in business is a great and growing evil. Unfortunately, intellectual education, which is a slow but sure cure for drunkenness, is not so sure a cure for the spirit of gambling ; though it may show the folly of playing against loaded dice. My fifth remedy is to encourage the growth of moral feeling against gambling, especially amongst the young.

We have already seen that a great cause of the discontinuity of industry is the want of certain knowledge as to what a pound is going to be worth a short time hence. With every expansion and contraction of credit prices rise and fall. This change of prices presses heavily even on those who kept themselves as far as possible from the uncertainties of trade, and increases in many ways the intensity of commercial fluctuations. For just when private traders and public companies are most inclined to reckless ventures, the interest which they have to pay on borrowed capital represents an exceptionally small purchasing power, because prices are high. And in the opposite phase, when their resources are crippled by the stagnation of business, the lowness of prices compels them to sacrifice a much greater amount of real wealth in order to pay their interest. When traders are rejoicing in high prices, debenture and mortgage holders and other creditors are depressed ; and when the pendulum swings the other way, traders, already depressed, are kept under water by having to pay an exceptionally

heavy toll to their creditors. This serious evil can be much diminished by a plan which economists have long advocated. In this, my sixth remedy, I again want Government to help business, though not to do business. It should publish tables showing as closely as may be the changes in the purchasing power of gold; and should facilitate contracts for payments to be made in terms of units of fixed purchasing power (see Appendix C).

Time does not serve for discussing the influence of the money market on the continuity of industry. This, though often exaggerated, is no doubt great. There seems to be a growing consensus of opinion that arrangements must be made with the Bank of England, or otherwise, for raising the normal limit of the ultimate cash reserve of the nation. This is my seventh remedy. It would not do much, but it would do a little towards steadying the money market directly and industry indirectly.

Next comes a point that has been attracting increasing attention during the whole of this generation. It is the power of combinations of employers or of employed in a trade, or of both together, to regulate and steady production in it. Such action no doubt sometimes does good to all concerned. But more often regulating the trade means curtailing production. There are exceptional cases in which this is almost necessary for self-preservation; but it always does some harm to the general public, and nearly always this harm outweighs in the long run the net good that the trade itself gets from its self-imposed idleness. If all trades are fully at work, there must be a large total production. Should prices be low, money wages may not be very high; but the condition of the working classes is really prosperous. While prices are falling, business men make small profits, or none; but that only leaves the more of the total large produce to be divided up in one way or other among other classes. On the other hand, if many trades are working short time, there is little produce to be consumed by anybody; and whether the working classes have their wages paid in many counters or few, they are quite certain to be the chief sufferers, and to have very little real com-

mand over the necessaries, comforts, and luxuries of life. At such a time warehouses may be overstocked. But this means not that there are too many commodities, but that the machinery for getting them into the right hands is out of gear for a time.

Now there are many trades in which if those already in them could combine effectively to keep out external competition, they would for a time benefit themselves by producing less. By diminishing supply they would raise prices more than in proportion, and would compel other industries to pay them for a time a larger sum for a smaller amount of goods. They are therefore under a great temptation to do it, if they can. But it is often a short-sighted policy, and it is nearly always morally wrong; because by curtailing their production they diminish their effective demand for the goods of other trades, and thus throw other trades out of work, or force them to work for lower pay. Their action injures others more than it benefits themselves even for a time. Save in exceptional cases, no trade has more right to adopt such a course than other trades; and if all adopted it, all would be poor together.

The sagacity and public spirit of the leading minds both among employers and employed are increasing fast; the recent improvement among the employed in particular is one of the most marvellous events in the history of the world. But while human nature is what it is, we cannot expect them to be so unselfish as never to curtail production when they can benefit themselves by doing it, though at a greater cost to the rest of the community. I therefore cannot regard the regulation of particular trades by trade combinations as tending on the whole to increase the continuity of industry.

But it is true that a committee of the ablest business men in the country, representing not one trade interest but many, might, I will not say regulate trade, but give counsel by which the several trades might regulate themselves. A committee somewhat of this kind does meet once a week in the Bank of England parlour, and it does occasionally give pregnant hints to the public. But this is only incidental to its proper business.

A committee that was not of natural growth, but artificially appointed to give advice, would not perhaps be very likely to succeed. However, as far as pure theory goes, I see no reason why a body of able disinterested men, with a wide range of business knowledge, should not be able to issue predictions of trade storm and of trade weather generally, that would have an appreciable effect in rendering the employment of industry more steady and continuous. I will call this my eighth remedy, though the time has not yet come for putting it into practice.

When, considering how such a committee might come together, our thoughts naturally turn to the grand hopes of co-operative federation. I may leave the representatives of co-operation at this Conference to set forth the part which it may play in steadying industry. The obstacles to the management of the more difficult kinds of business on the co-operative principle are I think often underrated; but any piece of solid work that is done on the co-operative plan is a great good. It helps in many different ways to brighten the future of England's industrial life, and for one thing can scarcely fail to diminish forced interruptions of work. This is my ninth remedy; the last with which I shall trouble you now.

Protection has been proposed as a remedy for the inconstancy of industry. I believe that all reasonable arguments and all practical experience prove that it much increases that inconstancy. In fact, though I have heard many able arguments for Protection in countries whose chief exports are of raw produce, I have never read any argument for Protection in England that seems to me even plausible. I believe it would be as foolish, though not quite as mischievous, as the plan sometimes proposed, to try to raise wages by curtailing production all round. A reform of our land laws is no doubt urgent, and it may do a little, but only a very little, towards making employment more steady.

I have left myself no time to suggest any remedies for low wages, except the three that are very important and therefore very commonplace. By the courtesy of the Co-operative Wholesale Society, I am allowed to reprint as an appendix a

paper that is published in their annual for this year. Those who have time to read it will gather that the first of these remedies is the improvement of the methods of production, which shall increase the produce of each man's labour when aided by a given amount of capital. The second is a rapid growth of capital, forcing it by its own competition to accept a lower rate of interest; thus leaving a larger share of a larger produce to be distributed among the different grades of labour. The third, and chief of all, is an increase in the number of the higher industrial grades relatively to the lower, causing the higher grades to give up a larger part of this larger share to the lower grades; thus raising the incomes of all the ranks of the wages receiving classes, but especially the lower ranks.

The highest ranks of industry are not those which have the softest hands or wear the neatest coats. They are those which make the most use of the highest and rarest faculties. A working-man does much better for his son if he fits him to become a responsible foreman, than if he makes him a second-rate clerk or schoolmaster. The foreman will do the higher work, and rightly get the higher wages. The more such men there are ready to rise to the higher posts in the practical management of business, the greater will be the competition for the aid of ordinary labour, and higher will be the average level of wages.

The chief remedy, then, for low wages is better education. School education ought to be good and cheap, if not free. For it makes the mind elastic, ready to take in new ideas, and able to communicate freely with others. But what makes one man really higher than another is a vigorous, straightforward character; and the chief value of book-learning is, that it helps to form this. The work of true education must, in the main, be done by the parents; they alone can teach their children to feel rightly, to act strongly, and to spend wisely.

The first aim of every social endeavour must be to increase the numbers of those who are capable of the more difficult work of the world, and to diminish the number of those who can do only unintelligent work, or who perhaps cannot even do

that. The age of chivalry is not over, it is dawning now in this present generation. For now we are beginning to see how dependent the possibilities of leading a noble life are on physical and moral surroundings. However great may be our distrust of forcible socialism, we are rapidly getting to feel that no one can lay his head on his pillow at peace with himself, who is not giving of his time and his substance to diminish the number of the outcasts of society, and to increase the number of those who can earn a reasonable income and have the opportunity of living, if they will it, a noble life.

APPENDICES.

A.

OVER-CROWDING OF TOWNS.

THERE is much preventable chronic depression in all large towns, especially London, owing to the presence of classes who would do better elsewhere. Ground rents, and therefore house rents, are so high, that poorly paid workers cannot afford decent lodgings: the poverty of the poor is their destruction. Their low earnings make them lodge badly, their unwholesome lodgings weaken them physically and morally, and render them more and more unable to get high earnings. Of course, Government might buy the land and let it out to the working-classes for next to nothing. This could only bribe people to stay where their work is not wanted; after a very short time they would be no better off than before. The only people who would gain permanently would be the London landlords. Taxes levied on the community in general, including the working classes, would be used to enable the owners of London factories to get their labour artificially cheap, so that they could let their factories at very high rents for work that could be done more healthily and more to the advantage of the community elsewhere. If the Government can afford to buy land for the working-classes, let it make more playgrounds and breathing-spaces. Every pound so spent now will yield an income of national health and happiness for ever.

The only cure for the misery of large towns is to have no one there who cannot earn a good deal. Highly-skilled workmen can pay their way well enough, and those unskilled workers who are really necessary for the work of the towns would get high enough wages to compensate them for the dearness of house-room, if only their labour were scarce. But as it is, London in particular is

crowded with shiftless people. Some of them have been attracted by the rumours of the rich charities there. Some have come hoping to better their condition, but have miscalculated their powers and failed. But many more have descended to their present unhappy condition through ill-health, or through the action of causes which are constantly at work, and tend in the course of a few generations to enfeeble the physical, if not also the moral, constitution of the inhabitants of very large towns. Thus the supply of unskilled labour is so much in excess of the needs of London, that it has to compete for employment in several of the world-industries, especially the clothing industries. The wages in these are determined by the competition of other places, where there are no high rents to be paid; and are therefore insufficient to pay for house-room fit for human beings in London. My remedies are two. The first is to enforce sanitary regulations in London, with rapidly-increasing stringency. I would have it given to be understood that the law will be put in force with special strictness in the case of those who come to London in future: the object of this being to deter agricultural labour, and labourers and uneducated immigrants from other countries, from coming to London unless they have some special reason for believing that they will get on well there. This might cause great hardship, unless accompanied by my second remedy, which is that liberal and vigorous action be taken to help those who are in London and are not wanted there to move themselves and their work to industrial villages, where they can get house-room cheaply, and fresh air for nothing. Each of these remedies have great dangers and difficulties, but these will be much diminished if the two are applied together. I will venture to ask those who think the second remedy of importance, to see if they cannot help the society, which (I have recently learnt) has been formed for promoting Industrial Villages; its offices are at 12 Southampton Street, Strand. Its task is most difficult, and wants the aid of all the best practical knowledge that is to be had.

B.

THE INTERDEPENDENCE OF INDUSTRIES.

‘There is a partnership in industries. No single large industry can be depressed without injury to other industries; still less can any great group of industries. Each industry, when prosperous, buys and consumes the produce probably of most (certainly of very many) other industries, and if industry A. fail and is in difficulty, industries B. and C. and D., which used to sell to it, will not be able to sell that

which they had produced in reliance on A.'s demand, and in future they will stand idle till industry A. recovers, because in default of A. there will be no one to buy the commodities which they create. Then, as industry B. buys of C. D., &c., the adversity of B. tells on C. D., &c., and as these buy of E. F., &c., the effect is propagated through the whole alphabet. And in a certain sense it rebounds. Z. feels the want caused by the diminished custom of A. B. and C., and so it does not earn so much; in consequence it cannot lay out so much on the produce of A. B. and C., and so these do not earn so much either.'—BAGEHOT, *Lombard Street*, pp. 125-6.

C.

A STANDARD OF PURCHASING POWER.

Government already does work of the kind desired in regard to the tithe commutation tables. But instead of dealing with wheat, barley, and oats, it would deal with all important commodities. It would publish their prices once a month or once a year; it would reckon the importance of each commodity as proportioned to the total sum spent on it; and then by simple arithmetic deduce the change in the purchasing power of gold. Borrowings could then, at the option of the contracting parties, be reckoned in Government units. On this plan, if A. lends B. 1,000*l.* at $4\frac{1}{2}$ per cent. interest, and after some years the purchasing power of money had risen by an eighth, B. would have to pay as interest, not 45*l.*, but a sum that had the same purchasing power as 45*l.* had at the time of borrowing, *i.e.* 40*l.*, and so on. The plan would have to win its way into general use; but when once it had become familiar, none but gamblers would lend or borrow on any other terms, at all events for long periods. The scheme has no claims to theoretic perfection, but only to being a great improvement on our present methods, and obtainable with little trouble. A perfectly exact measure of purchasing power is not only unattainable but even unthinkable. The same change of prices affects the purchasing power of money to different persons in different ways. For one who can seldom afford to have meat, a rise of one-fourth in the price of bread accompanied by a fall of one-fourth in that of meat means a fall in the purchasing power of money: his wages will not go so far as before. While to his richer neighbour, who spends twice as much on meat as on bread, the change acts the other way. The Government would of course take account only of the total consumption of the whole nation; but even so, it would be troubled by constant changes in the way in which the nation spent its income. The estimate of the importance of different commodities would have to be

recast from time to time. The only room for differences of opinion would be as to what commodities should be taken account of. It would probably be best to follow the ordinary method of taking very little account of any but raw commodities. Manufactured commodities and personal services are always changing their character, and are not easily priced. Manufactured tend to fall in value relatively to raw commodities ; and at present, at all events, personal services tend to rise ; so that the errors made by omitting both probably nearly neutralise one another. Simplicity and definiteness are in this case far more important than theoretic accuracy. Those who make the returns should work in the open day, so that they could not, if they would, be subject to many influences. This plan, though strange at first sight, would really be much simpler than bimetallism, while its influence in steadying industry would be incomparably greater.

D.

THEORIES AND FACTS ABOUT WAGES.

(Reprinted from the Annual of the Wholesale Co-operation Society for 1885.)

1. I have been asked to give an account of the doctrines as to wages held by the past and present generations of economists, with some statement of the actual facts of the case. It is difficult to treat such large questions in a short space ; but I hope to be able to give the main outlines of them.

We hear a great deal about the supplanting of old-fashioned theories of wages by newer and truer doctrines. But in fact the change in the theory itself has not been very great. Although a good deal of new work has been added, and the old work has been developed, yet but very little has been destroyed. Almost everything that was ever said by the great economists of the first half of the century is true now if properly understood. Much of it will remain true for ever, or at all events till the glorious time comes when people are willing to work as hard from a sense of duty as now they work for pay. There has been a great change ; but it has not been in the theory itself, it has been in understanding how it is to be applied, and how it is not to be applied.

At the beginning of the century, when the great economists, Malthus and Ricardo, wrote, the world was in a miserable condition, which, thank God, has passed away. The general principles which they laid down were almost all true ; but their way of expressing them was coloured by the peculiar character of the facts among which they lived. It required a great mental effort to grasp the principles of their reasoning ; and the effort was made by but few of their

followers. But it was easy to take hold of isolated sentences and to repeat them without the conditions implied in the context. And this was done. Political Economy became fashionable. In Parliament and the counting-house, in the pulpit and the press, the authority of Political Economy was invoked for all kinds of purposes; but before all and above all, for the purpose of keeping the working-man in his place. Nearly all the greatest economists have been earnest and fearless friends of the working classes; they have been impelled to the study of economics chiefly by a desire to see how far it was possible to diminish the evils of poverty. But Ricardo had very little sympathy one way or the other; and many of those who made themselves a reputation by the confidence with which they misunderstood parts of what he said, were partisans of capital. The reputation of Economic Science has suffered and is suffering for the misdoings of its camp followers.

2. At the beginning of the century the prices of things consumed by the labourer, taken one with another, were nearly double what they are now. And meanwhile the average money wages of manual labour have nearly doubled. There has not indeed been a very great rise in the wages of all occupations; the improvement is chiefly due to the fact that then there were very few skilled workers, while now there are comparatively few who are entirely unskilled. The average income for each man, woman, and child in the manual labour classes was about 12*l.* then, and is not less than 20*l.* now. These classes have now none too much of the necessaries, comforts, and luxuries of life; but then they had less than a third of what they have now. Starvation and disease ran riot in the land.

Some causes of this misery were seen clearly enough by everyone, without aid from the economists. The great war with France had cost about fifteen hundred million pounds; and that was probably a good deal more than the value of everything that was left in the country, except the land. The imperial taxes were 20 per cent. of the total income of the country; the mere interest on the debt was 10 per cent. of it. Next an unparalleled series of bad harvests had made wheat terribly dear: it was frequently over 6*l.* a quarter, and once over 10*l.*

But besides all this, the administrators of the Poor Law were raising up new evils by attempting to relieve suffering indiscriminately. What they really did was to discriminate against the industrious and in favour of the dissolute. Farmers sometimes had to turn away hard-working men who had saved a little money, and make them live on that, in order to make room for drones forced on them by the parish. The industrious were so much worse provided for

than those who went to the parish, that in time independent labourers almost ceased to exist. Wages were lowered all round and eked out by parish pay. He got on best who was the best adept at the arts of imposition. In the South, where the system was carried to the greatest lengths, the labourer has never recovered from the injury thus done to his character and wages. A hundred years ago wages were higher in the South than in the North of England; now they are half as much again in the North as in the South. In these and other ways the Poor Laws did evil. Mischiefs were done, not by the amount of relief given, but by its being given in the wrong way and to the wrong persons, so as to cause the survival of the worst in place of the best. Probably half of all the lives of extreme misery and want in the country are due to this cause.

The nation at large did not get to see this last cause of misery till 1834; but the economists saw it earlier. They looked at the history of England, and found that the working population had been well off when it had been increasing slowly in number, and badly off when it had been increasing fast. They studied the history of wages, and found that wages were once really high; it was just after the black death had destroyed a great part of the population. Again, they knew that from 1700 to 1760 population had been almost stationary, and their wages had steadily risen. But from 1760 onwards numbers had increased fast, and misery had increased faster. Trade, indeed, had grown, and there had been a marvellous series of mechanical inventions, but these had been able to do little to diminish the difficulty of getting food. The economists looked abroad, and they saw poverty wherever there was a dense population. If in any happy valley they found everyone well off, they found then, what we find now, a custom that only one son out of each family should marry. They found that in England before 1760 it was not very easy for a man to get a house for himself while he was quite young; he had generally to go on a good while living with other young men in his father's or employer's house before he could see his way to marry. But since then manufacturers had made so many new openings that it had become the habit for everyone to marry when he wanted to, and to trust to luck. And then later on the Poor Law officers made life pretty easy to the father of a large family, if he would only give up all attempts to help himself and cringe enough to them. Meanwhile, as bread grew dearer, cultivation was creeping up the hillsides. Wheat was grown on miserable land that would not give eight bushels an acre, though more labour had been spent on it than was wanted to raise twenty or thirty bushels on fairly good land.

3. The economists saw all this; and they thought rightly, that at

that particular time there was no truth more important, none on which the philanthropist should insist with more earnestness, than what they called the law of Diminishing Return. This was:—The natural law of the fertility of land is that, other things being equal, an increased application of capital and labour to land will not increase in like proportion the raw produce raised from it. They went on to apply this to the question of wages. If twenty men are employed on a farm and a twenty-first wants to be taken on, he will produce less than the others did, and therefore the farmer cannot afford to pay him so much; and he must therefore take a less quantity of corn as wages. (I say a less quantity of corn so as to avoid all trouble about changes in the price of corn.) The next step will be for the farmer to lower everybody else's wages to his level. The next step will be for the landlord to say to the farmer, 'You get your labour for lower wages (at all events when measured in corn), and so you can afford to pay me more rent; if you do not agree to pay it, I will find someone else who will.' A rise of rents and a fall of wages is therefore, they argued, the necessary consequence of an excessive growth of population. He who truly loves the people will urge them not to marry early.

Now the first sentence of this reasoning has the clause 'other things being equal,' and the conclusions may be invalid if other things are not equal. The economists knew of this condition, but they did not pay much attention to it: and this not so much because they were careless as because it had then no great practical importance. No one, however sagacious, would have anticipated the strange combination of causes which have since then lowered the price of corn: all reasonable expectations were in the other direction. The new machinery was manufacturing things cheaply; but the working-man could not consume many of them himself, and if he wanted to send them abroad and to buy food with them, he had to pay enormous taxes for doing so. The economists were convinced of the advantages of free trade, but they had no hope that the landed interests which then ruled the country could be made to allow it. And even with free trade they did not expect to be able to buy large supplies of corn cheaply, for the wheat lands of America were then chiefly on the poor soil of the Atlantic border. The middle region of America was but little known, and seemed too far off for extensive trade; while the richest wheat land of all, that in the North-Western States and California, was less known than the centre of Africa is now. Since then England has adopted free trade, and railways and steamships have come into existence. So great has been the growth of knowledge, of mechanical invention, and of the aid which capital

affords to labour, that the working-man can buy his bread from abroad at the cost of less labour than he could get it with even in 1760, before the rapid growth of population had set in. The old economists made wonderfully good use of their knowledge as far as it went; but we, knowing what they could not even guess, can see the way to improving the first part of their doctrine of wages. But before doing this, let us look at the rest of it.

4. Great as was the poverty of the English people then, foreign countries were poorer still. In most of them population was sparse, and therefore food was cheap; but for all that they were underfed, and could not provide themselves with the sinews of war. France, after her first victories, helped herself along by the forced contributions of others. But the countries of central Europe could not support their own armies without England's aid. Even America, with all her energy and national resources, was not rich; she could not have subsidised Continental armies. The economists looked for the explanation, and found it chiefly in England's accumulated capital, which, though small when judged by our present standard, was very much greater than that of any other country. Other nations were envious of England, and wanted to follow in her steps; but they were unable to do so, partly indeed for other reasons, but chiefly because they had not capital enough. Their annual income was required for immediate consumption. There was not in them a large class of people who had a good store of wealth set by, which they did not need to consume at once, and which they could devote to making machines and other things that would aid labour and enable it to produce a larger store of things for future consumption. A special tone was given to their arguments by the facts that capital was scarce everywhere, even in England; that the efficiency of labour was becoming more and more dependent on the machinery by which it was aided; and lastly, that some foolish followers of Rousseau were telling the working classes that they would be better off without any capital at all.

In consequence, the economists gave extreme prominence to the statements; first, that labour requires the support of capital, *i.e.* of good clothes, &c., that have been already produced; and secondly, that labour requires the aid of capital in the form of factories, stores of raw material, &c. Of course the workman might have supplied his own capital, but in fact he seldom had more than a little store of clothes and furniture, and perhaps a few simple tools of his own—he was dependent for everything else on the savings of others. The labourer received clothes ready to wear, bread ready to eat, or the money with which he could purchase them. The capitalist received

a spinning of wool into yarn, a weaving of yarn into cloth, or a ploughing of land, and only in a few cases commodities ready for use, coats ready to be worn, or bread ready to be eaten. There are, no doubt, important exceptions, but the ordinary bargain between employers and employed is that the latter receive things ready for immediate use and the former receive help towards making things that will be of use hereafter. These facts the economists expressed by saying that all labour requires the support of capital, whether owned by the labourer or by someone else; and that when anyone works for hire, his wages are, as a rule, advanced to him out of his employer's capital—advanced, that is, without waiting till the things which he is engaged in making are ready for use. These simple statements have been a good deal criticised, but they have never been denied by anyone who has taken them in the sense in which they were meant.

The older economists, however, went on to say that the amount of wages was limited by the amount of capital; and this statement cannot be defended; at best it is but a slovenly way of talking. It has suggested to some people the notion that the total amount of wages that could be paid in a country in the course of, say, a year, was a fixed sum. If by the threat of a strike, or in any other way, one body of workmen got an increase of wages, they would be told that in consequence other bodies of workmen must lose an amount exactly equal in the aggregate to what they had gained. Those who have said this, have perhaps thought of agricultural produce, which has but one harvest in the year. If all the wheat raised at one harvest is sure to be eaten before the next, and if none can be imported, then it is true that if anyone's share of the wheat is increased, there will be just so much less for others to have. But this does not justify the statement that the amount of wages payable in a country is fixed by the capital in it, a doctrine which has been called 'the vulgar form of the wages fund theory,' and which was used for partisan purposes by shallow and dogmatic hangers-on of economic science. Unfortunately isolated sentences can be quoted even from the best of the older economists which seem to support this doctrine. The whole spirit of their reasoning was opposed to it, but those who thought any stick good enough to beat the trades unions with, seized eagerly on these carelessly-worded sentences.

5. Let us, then, look at the doctrine which the economists meant to express by this unfortunate phrase. They saw that if wages rise in one trade without any corresponding increase in the efficiency of work, someone or other must lose what that trade gained. They classed all incomes as rent, profits, and wages. Of course, part of

the loss might fall on rent ; but the economists could prove that that was not very likely unless population diminished. And, therefore, it must fall on profits or wages, or both. If it fell on profits they argued that capital would shrink ; there would be less accumulated wealth with which to pay wages to labour, and supply it with the requisite raw material, &c. Therefore there would be less effective demand for labour ; and so, by one route or another, other workers would suffer for the extra gain got by the first group. The complete argument has a good deal more detail, and in whatever form it is expressed, it takes up a great many pages in every thorough economic treatise. But what has just been given is its backbone.

Now, when one looks at the argument one finds that there is really nothing in it about a fixed wages fund. There is something in it about there being at any time a definite (not a fixed) wages and profits fund. A world of trouble would have been saved if they had used this phrase from the beginning. The French and German economists, though on the whole they had not done nearly so much good work as the English, have never given any countenance to the doctrine that there is a determinate wages fund.

The great difference between the views of wages taken by English economists in the past and the present generation is then this—they all regard wages as paid out of capital ; but while the older economists talked as though wages were limited by the amount of capital that had been already put aside to pay wages with, the younger economists have, for the last ten or fifteen years, put the case in another way. They see that if the efficiency of industry were increased, and more things were produced, higher wages would be paid at once by drawing more rapidly on the stocks already in hand. It might be necessary to be a little careful about the stocks of some kinds of raw produce which could not be replenished very quickly. But with a few exceptions the increased supplies would come in so soon that the stores need never run low. Therefore, the younger economists do not speak of wages as limited by capital. But they say that every increase of capital raises wages, because it increases the productiveness of industry ; it increases the competition of the capitalist for the aid of labour, and thus lowers the rate of interest and increases that part of the total produce which capital is compelled to resign to labour.

6. I will now put together the new version of the economic doctrines in my own words, and illustrate it by a reference to facts.

First, as to what determines the produce of capital and labour. With equal capital per head, equal individual efficiency, and equal knowledge of the arts of production, the amount of raw produce raised per head is greatest in a rich new country that is well settled

but thinly peopled, and steadily diminishes with every increase in the population. But this abundance of raw produce is not of much use to them unless some of it can be sold at a high price to manufacturing countries. Unless this can be done, life in a thinly-peopled country is very hard, because nothing except raw produce can be got easily. That is verified by history. The early colonists of America got freedom and plenty of plain food; but in almost every other respect they were worse off than the English agricultural labourer on 15s. a week is now. If trade with other places were impossible, the law of the total productiveness of industry, counting in raw and manufactured commodities together, would be generally a law of increasing and not of diminishing return. That is to say, an increase in population (accompanied by a corresponding increase of capital) would increase and not diminish the average material well-being—at all events, until the country had become crowded and raw produce had to be raised in very expensive ways. The railway and steamship have improved the condition of all countries, but most of all, those whose population is very thin and those whose population is very thick. As things are, the total necessities, comforts, and luxuries that can be got by given capital, labour, and intelligence, is perhaps greatest where the population is ten to the square mile, and diminishes very slowly with every increase in the population. But it must be admitted that the advantage that America and Australia have over the crowded countries of Western Europe is not quite so great as appears. Real as well as money wages are, no doubt, higher there than here; but the work that has to be done to earn them is harder. Even in America itself many of those who can and will work hardest go West, and wages are therefore much higher West than East; but if the Western men came East they would get more than average wages, and some of the Eastern men who go West find it difficult to get employment.

But of course every improvement in knowledge and in the arts of production, as well as every increase in the capital per head, increases the total production per head. So great has been the increase of prosperity in this country, while population has been growing rapidly, that if we could reduce raw and manufactured goods to a common standard of price, we should probably find the average real income of the manual labour classes now higher than was the average income of all, rich and poor together, a century ago.

7. Passing now from the amount of produce per head to the way in which it is distributed, we may first consider the landlord's share. The old economists, writing when the importation of corn on a large scale was out of the question, said that an increase of population

compelled poorer soils to be cultivated, and raised rents; and they expected a rapid and constant rise of rents in England. It has turned out otherwise. Imported food has been so cheap that agricultural rents have sometimes fallen fast. So that agricultural rent proper, *i.e.* what remains after deducting interest on capital sunk in the land, is now probably not more than it was early in the century. It was then a very important part of the total income of the country—perhaps a sixth part; while now it is certainly less than a twentieth part. But the increase of wealth and population has raised the value of land for purposes of residence, of railways, mining, &c.; so that on the whole the owners of land have probably not lost by free trade.

8. After deducting rent from the total produce of industry, there remains what has just been called the Wages and Profits Fund. But profits are made up of two parts—interest, which goes to the owner of capital, and the earnings got by the employer of the capital. There is a growing tendency to class these earnings, which may be called the Earnings of Management, with other kinds of earnings; so I prefer to speak of this fund as the Earnings and Interest Fund. Just to fix the ideas, I will give a rough estimate as to this. We may take agricultural rent proper and ground rents at about 75 millions. At least 50 millions more are got from foreign investments, which we don't want to count in here. The rest of the national income, that which constitutes the Earnings and Interest Fund for the labour and capital employed at home, is a little over 1,000 millions. Nearly 250 millions are interest on capital, and nearly 800 millions are earnings of labour. This last sum we may again regard as divided up into about 500 millions for the wages of the working-classes, and nearly 300 millions for the earnings of all other classes, including employers. Of course we might go further, dividing up each of these two parts into the shares of many different grades or classes of labour. Each of these classes of labour has its work in production; we may call it a factor of production.

9. Well, then, the great law of distribution is, that the more useful one factor of production is, and the scarcer it is, the higher will be the rate at which its services are paid. For instance, if two skilled labourers, after allowing for the expense of the machinery they use, can do as much work as five unskilled, they will get as much wages as the five unskilled can get should they stay in the trade. Again, supposing an employer can devise such economic arrangements of machinery, &c., as to make the labour of 500 labourers reach as far as ordinary employers would the labour of 600, then his earnings of management will exceed theirs by the wages of a

hundred labourers. But he can go on doing this only so long as there are not many employers like him. If there are, they will compete with one another, lower the price of their goods, and distribute the benefit of their skill among the community at large. These illustrations explain the general principle, which we may now state a little more carefully.

The total Earnings and Interest Fund depends on the resources of nature and the efficiency of capital and labour acting on it. The larger this is, the more there will be to be divided up, and the larger, other things being equal, will the share of each be. Thus, in a new and rich country interest can be high, and the earnings of all classes of labour, from the employer down to the lowest unskilled labourer, can be high. But, other things being equal, if any one factor of production increases relatively to the others, it will become in less and less request. If, for instance, capital increases much faster than labour, without there being many inventions to open up new fields for its employment, capital will go a-begging and the rate of interest will fall. If the number of people who want to do clerk's work increases out of proportion to the population, their wages will fall. If the number of unskilled labourers increases relatively to others, they will find difficulty in getting employment; interest will rise at their expense, and the earnings of employers and of all other kinds of labour will rise at their expense. On the other hand, if the number of unskilled labourers were to diminish sufficiently, then those who did unskilled work would have to be paid good wages. If the total production was not increased, these extra wages would have to be paid out of the shares of capital, and of the higher kinds of labour; but even so, the great aim would have been attained of making the increase of wealth hurry up the diminution of want a little faster. But, if the diminution of unskilled labour is brought about by increasing the efficiency of labour, it will increase production, and there will be a larger fund to be divided up.

10. Now let us apply this general reasoning to the changes in the distribution of wealth in modern England. The leading influence in these changes is, that capital is growing at least twice as fast as population. Population is not quite doubling itself in fifty years, while capital is doubling itself in less than twenty-five. If it had not been for the new uses that are always being found for capital in different forms, it would have been impossible to employ so much with any great advantage. It must have either migrated, or have competed for occupation until it had forced down its price to perhaps one per cent. a year. Even as things are, it has had to submit to a continually decreasing rate of interest; and its loss has been labour's gain.

This change is partly disguised by the fact that when capital is largest its total share of the produce is largest too. For instance, if in California the capital which each workman makes use of is equal in value to his work for one year, while in Lancashire it is equal to his work for ten years, then, though the rate of interest is lower in Lancashire than in California, the fraction of the produce which goes to capital may be six or seven times as large in Lancashire as in California. This accounts for the apparent anomaly, that while the total produce per head is larger in Lancashire, the wages are higher in California. If Lancashire had only as much capital per head as California has, the total produce handed over to capital would of course be less; but that would be no gain to labour. For production could not be carried on efficiently, labour would have to pay a higher rate of interest for whatever capital it did use, and wages would be much lower than they are.

11. The profits of business include the earnings of management got by the employer, as well as the interest got by his capital. But in spite of exceptional cases to the contrary, earnings of management are falling, just as interest is; and for the same reasons. This is a special instance of a great fact that has been noticed in America and on the Continent (especially by M. Leroy Beaulieu) as well as in England. It is that the difference between the earnings in different grades of labour is steadily diminishing. A generation ago so few people got a good education, that for every pound spent on it there might fairly be expected a total return of from perhaps ten to a hundred pounds in after life. But the growth of intelligence has made people more willing to look far ahead; the standard of education has risen in all the ranks of life. So that while the rate of interest on capital invested in material things is about a quarter less than it was, the interest on capital invested in education has perhaps fallen one-half. For each pound invested in education, there is perhaps not more than half as much returned in extra earning in after life as there used to be.

On the other hand, extraordinary natural abilities of every kind find a wider scope and secure higher earnings than ever. If we take as our standard the wages of unskilled labour, there is a steady fall in the earnings that an expensive start in life will secure to people of average ability, whether they be musicians, or painters, or medical men, or lawyers, or, lastly, business men. The fact is much more important, though it attracts much less attention than the fact that in all these occupations people with exceptional ability can make fortunes unheard of till now.

12. Exceptionally favoured men in business get command over

vast capitals, and are thus able to do great things. But nearly all very rich men owe a good deal of their wealth to judicious and fortunate speculation. These gains are chiefly at the expense, not of the general public, but of less successful speculators. In old times fortunes were more even, and if a man failed, his story was long remembered in his neighbourhood; so a fairly true average of gains and losses could be struck. Now, those who fail are quickly lost to sight; their losses heap up the conspicuous gains of successful men. Partly for this reason, few people are aware how great a fall there has been in the real average earnings of men of business with a moderate capital and average ability.

Parallel changes are going on within the ranks of hired labour. Simple writing, simple machine turning, weaving, and similar occupations are sinking in the industrial scale. Almost anyone with a sound body and mind, and with a little training, is fit for them. But they used to get high wages, because an insufficient number of people had had the training. Not long ago a clerk who did the simplest work got the wages of two or three agricultural labourers. Now he gets, in England, hardly more than the wages of one; in Australia, less than the wages of one. But judgment, self-possession, promptness, and shrewdness, are qualities for which the demand is increasing faster than the supply, though that is increasing very fast. Wages are rising steadily in all occupations in which these qualities are wanted in a high degree; and they are rising most rapidly in occupations which require these together with great powers of physical endurance.

Whenever any new kind of skill is wanted, it is at first rare, and must be paid highly. But if it does not require exceptional natural abilities, there will soon be a good supply of it, and wages are likely to fall. This is, in nine cases out of ten, the explanation of any fall there has been in the wages of particular trades during the last fifty years. But meanwhile new trades are always breaking out that require higher abilities and get higher payment. And in spite of the fact that wages are falling in many trades, the average real wages of manual labour are rising rapidly. It must be remembered that 20*s.* a week now will buy as much as 25*s.* would twelve years ago. Thus there is a constant tendency for the lower ranks of industry to gain on the higher; so that a steadily increasing share of the benefits of progress is going to those who have the greatest need to be lifted up.

But to this rule there is one great exception. Those who have a poor *physique* and a weak character—those who are limp in body and mind—are falling, or if not, it is because they are already as low

as they can go. They are found in greatest numbers wherever there is most wealth, but they are not the products of wealth, any more than thrushes are born of gooseberry trees. There are no feeble people in the Prairies. Some feeble people go there, but they either get back quickly to a large town, or else they die. Charity and sanitary regulations are keeping alive, in our large towns, thousands of such persons, who would have died even fifty years ago. Meanwhile economic forces are pressing heavily on them, for they can do nothing but easy monotonous work, most of which can be done as well, or better, by machinery or by children. Public or private charity may palliate their misery, but the only remedy is to prevent such people from coming into existence. It must be remembered that the poorest of the poor are descended from all ranks of society; probably the upper ranks contribute more than their proportionate share to them. Crime and dissoluteness in one generation often engender disease, feebleness, dissoluteness, and crime for many generations to come. The long chains of evils that thus result cannot be cut short without the active aid of all classes; but if all classes help wisely but boldly, tenderly but firmly, they can, I believe, do it.

13. It would be out of place here to discuss the institution of private property. Assuming, as I do, that it is to be kept up without fundamental change, I think I have shown that though there are still great evils, though there is still much needless misery, yet in the main, and on the whole, the changes at present at work are such as to be desired; only they are not going fast enough. Fast as is the increase in the supply in the higher grades of labour, and the diminution in that of the lower, we want them to be faster. An equal increase in all grades would lower earnings a little, but not much if capital grew fast. But an increase of population may go with a rapid rise in average wages, if the children of each grade are brought up with the intelligence, self-command, and vigour that now belong to the grade above them. Persons in any rank of life who are not in good physical and mental health have no moral right to have children. But in spite of popular Malthusianism, though not in opposition to Malthus' principles, we may affirm that those who bring up a large healthy family with a thoroughly good physical, mental, and moral training relatively to their own rank in life, do a service to their country. If the children emigrate, they do a still greater service to the world. A good training is not complete if it only makes them efficient producers, it must also make them wise and temperate consumers and good citizens.

It is to be hoped that all these children will save a little capital

of their own, and that some of them will rise from lower ranks to be employers of labour. Everyone who so passes upwards benefits labour in two ways—he diminishes the competition of labour for employment, and he increases the competition for labour on the part of employing and directing power.

If small men of business are being pushed out by big men, big men are being pushed out by joint-stock companies and other associations of little men. These are gradually making the great mass of the nation owners of its most important industries and employers of its ablest and most powerful business men. Among these associations the genuine co-operative societies have the noblest work. Besides his wages and interest on his capital, they are giving the workman high mental and moral aspirations; they afford him a real insight into the problems of business, and they help to diminish industrial strife. They are the best of all known means for enabling an increasing share of the income of the country to go into the hands of those who have the greatest need for it and can turn it to the best use.

Continuity of Employment and Rates of Wages.

BY EMMA A. PATERSON.

THE continuity of industrial employment and the rates of wages are questions of deep interest, not only to men but also to women, for it appears from the latest census returns that, without including domestic servants, girls and women now constitute one-third of the industrial portion of the population.¹ They are often ignored in investigations relating to wages, and truly the amount of their remuneration is in most cases so small, that one might suppose they worked for amusement rather than for a livelihood. Mr. Giffen, in his recent paper on the *Progress of the Working Classes*, makes no reference to working-women. All through he speaks of the 'working-man,' and in the list of thirteen industries which he gives as showing a great increase of wages during the last fifty years, trades in which women are employed, with the exception of weaving, do not appear. I can only suppose that he consigns working-women to the 'residuum still unimproved' mentioned

¹ See Appendix A. p. 206.

in page 20 of his paper. 'Where all are getting on,' he says on the same page, 'it does not seem very practical in those who are getting on slowly to grudge the quicker advance of others.' Women often doubt whether they are getting on, even slowly, in this matter of remuneration for their work, but I think they cannot be accused of impatience about it, and I believe that until they become more impatient, very little improvement will take place in their position.

I have found, however, during my ten years' experience in helping to establish Women's Trade Societies, that many women feel a deep sense of injury and wrong in the fact that their wages reach only one-third or one-fourth of the amount paid to men for any kind of skilled work, though they are not sure upon whose shoulders the blame should be laid.¹ I am taking, and I shall deal especially with, that which should be considered the skilled industry of women, leaving out the comparatively rough work, such as sack making and paper-bag making, ranging from 4s. to 7s. per week. Considering the high prices paid by fashionable ladies for their dresses, there seems to be no good reason why West-end dressmakers should not be as well paid as West-end tailors and tailoresses; yet, in some of the largest West-end houses, time workers receive only 12s. and 14s. per week, and against those amounts must be placed serious deductions at slack seasons, varying from two to three months' loss of work in the year.² The West-end upholsteresses succeeded by means of a general petition to the employers, about fourteen years ago, in getting their wages raised to 15s. a week—the only case of that kind I have heard

¹ Professor Leone Levi, in his statistics of 1878, of the earnings of the working classes, placed the number of wage-earning women at 3,800,000, and gave the average weekly earnings of every woman of full age at 13s. 8d. This high average was obtained by throwing in the very large class of domestic servants—1,300,000 at the census of 1871.

² Since writing this paper I have heard it stated, at a meeting, by a large employer in the London bookbinding trade, that since he entered the business the wages of the men have gone up from 30s. to 36s., 38s., and 40s. per week, but that the same amounts are paid to the women as were paid forty years ago—10s. and 12s. per week. He regretted this, and was glad the women had now formed a trade society, without which those employers who might be willing to pay higher rates could not be protected from the competition of less scrupulous employers.

of—but they are liable to be out of work for three months of the year. We often hear it said that the workers take no share of the risk of a business, that this is borne wholly by the employer, yet the loss of work from dulness of trade is surely a considerable share in the risk, and it is one not felt by the more highly paid workers—the foremen and overlookers. Holidays also have to be deducted, for, unlike the salaried class, workpeople are required to pay for these. In many workshops even Christmas Day and the Bank holidays are deducted from the weekly wages. Enforced holidays, such as a week required for removing machinery and material to new premises, are also deducted. Where both men and women are employed it is not an unknown event for the day of the men's shop-dinner or 'beanfeast' to be possibly the day of no dinner for the women; it is not the custom for them to join in these festivities, but as their work cannot go on while the men are absent, the workshop is closed and the women lose a day's pay.

(a) *The continuity of industrial employment.*—The cause which most prejudicially influences this, with regard to women, I consider to be the length of their hours of work. If not all working-women, surely a far larger number than are at present in regular employment might gain it if there were a general reduction of working hours. This has been the experience of men, who have often striven harder for shorter hours than for higher wages. It is supposed to be a peculiar advantage to women that their hours of work are fixed by law, but what is the boon thus afforded? Twelve hours, with a deduction of two hours for meals—two hours more than the limit men have, in many trades, gained through combination. The Factory Act also provides that in season-trades women may work for fourteen hours, on forty-eight days in a year; it also legalises employment in workshops until four o'clock on Saturday afternoons, and the fullest advantage of this is taken in most dressmaking, millinery, and tailoring establishments, so that the Saturday half-holiday, supposed to be now general in trades, is still unknown to many workwomen, and no money compensation for the loss of it is given. I have heard one restriction much complained of; it is that the dinner hour must be taken before 2 P.M. on

Saturdays, as on other days, so that although the women would prefer to work on until three o'clock and then leave, and have their dinner at home, they are obliged to stay until four and waste an hour wandering about the streets. This is only a small instance, but it is a striking one, of the harassing effect of legislation in matters which could be much better arranged by agreement with the employers. I have but little hope of the reduction of women's hours of work by legislation; for children such protection may be necessary, but women, in this, as in other matters, must work out their own salvation.

I know how strong a pressure is put upon employers by the public with regard to speed, as I have for some years had to do with the management of a women's printing office. The public is a monster of unreasonable impatience. In counting the days since an order was given, it includes Saturdays, Sundays, and general holidays. It also appears surprised that a dinner hour is necessary. 'You should get more hands,' it calmly says—for that barbarous term is applied, even in these enlightened days, to the men and women who toil for the good of the community. It professes, in the abstract, to wish every worker to have constant employment, yet it desires that a small army of unemployed 'hands' should be hanging about, ready to be drawn upon when it wants a piece of work done that in nine cases out of ten might have been ordered at a week's, instead of a day's, notice, and this usually in the busiest seasons, immediately before holiday times, when, fortunately for the 'hands,' it is no easy matter to find them. A Member of Parliament, a prominent advocate of factory legislation, once ordered an Ulster coat so hurriedly, before going on his summer tour, that the Factory Act had to be broken to get it done in time. Employers are naturally afraid of offending a good customer and of losing work, but if they could say that the 'hands' generally all through a trade absolutely refused to work beyond certain hours, they would have a strong protection against unreasonable demands. The reform must come from the determination of the 'hands' to assert that they possess also heads, nerves, and digestive organs, all requiring consideration and attention. It is useless

to plead legal restrictions; everyone knows how easily these are evaded.

The extensive employment of young girls as 'improvers' or 'learners,' often without any formal apprenticeship, is a serious evil in women's trades, and it is one which, so far as I know, can be touched by nothing but combination.

The principal causes prejudicially influencing

(b) *Wages*, are, I believe, so far as women are concerned:—

1. The want of any common agreement with employers upon rates of payment, especially for piece-work, and, in connexion with this, the ignorance of the workwomen as to prices offered for similar work in different localities, or even in the same town; and the want of a fund to fall back upon to enable them to refuse work offered at starvation wages.

2. The absence of any provision such as trades unions afford for the registration of trade requirements, and for the payment of travelling expenses from a town where an industry may be temporarily overcrowded to another where workers are wanted.

3. The absence in certain trades of any apprenticeship. This is especially complained of in East London tailoring.

4. The competition of married women, who work at home at the lowest rates, and without restriction of hours.

5. The cause assigned by John Stuart Mill, viz. 'prejudice.'

6. The demand for cheapness and for low estimates.

7. The cost of overlooking.

8. The prevalence of the sweating system.

9. The diminution in agricultural employment, by which men and women are driven into town trades.

The first three of these causes I need not enlarge upon. They have been met with by workmen who have succeeded in bringing about marked improvements through trade organisation, such as I recommend for women.¹ The remedy is, I think, obvious, but here is just one instance with reference to prices. I have heard of an East-end tailoress going to a West-end house, and offering to make waistcoats at two shillings less than

¹ The men's trades in which Mr. Giffen shows the most marked rises of wages are those that possess the strongest organisations.

the price usually paid there; she did this in ignorance arising from the want of communication with other tailoresses.

It may be urged that the crowded state of needlework trades and the competition of home workers will be an effectual barrier to organisation. But we must remember that only a portion of working-men are unionists; these being, however, the steadiest and most skilful workers, they are able to influence the wages and other conditions of employment, so that if some common standard of prices were agreed upon for women's work, varying, of course, with fluctuations of trade, similar results might be expected. Women who were not sufficiently skilful to earn these prices would probably fall off into other occupations, such as domestic work, here or in the colonies.

Cause 5 would, I am convinced, be beneficially influenced by combination, through which women would gain a higher standing in industry; also by the removal of electoral disabilities, now, I hope, rapidly approaching. Within the last ten years the Home Secretaries of both great political parties (Sir R. A. Cross and Sir William Vernon Harcourt) have refused to receive deputations of working-women upon questions directly affecting their work, and indirectly affecting their wages—the Factory Act and the appointment of Factory Inspectors—although several deputations of working-men on those questions have been received. 'Prejudice' and the want of political power may explain this strange fact.

Causes 6, 7, 8 and 9 would, I believe, be to a great extent remedied by trades unions, but still more by small experiments in co-operation, such as that described by Mr. H. Broadhurst, M.P., in a most interesting article of recent date,¹ and the Working Tailors' Association in Whitechapel. These would be possible in many, though not in all, women's trades, and trades unions would afford the organisation necessary for initiating them. I am glad that the workmen Mr. Broadhurst speaks of 'will not undertake low-price work.' Protests against the nastiness of cheap work are much needed in these days, when many people are taking to bargain-hunting and low estimate seeking, as a new form of excitement. I quote in an Appendix²

¹ *Pall Mall Gazette*, December 11, 1884.

² See Appendix B. p. 207.

some excellent remarks on this subject, from a technical journal which is in itself a specimen of high-class workmanship.

The stimulus given to the worker by co-operation in workshops might diminish the cost of overlooking and 'driving,' now so serious an item; by bringing the workers and customers into more direct communication it would also powerfully tend to diminish the sweating, or 'middleman,' system. I think this directness of contact partly accounts for the fact that the wages of domestic servants and charwomen keep up to a certain level. No sweating is adopted in those industries.

One objection that I wish to refer to before closing is frequently urged against the higher payment of women and the organisation of their trades. It is that men are the bread-winners for a family, and that women work only for their own support. I answer that women also, when their husbands die, become the bread-winners for families; but both men and women who are in this position have at least the comforting thought that in old age their children will help them, and will not, except at the last extremity, suffer them 'to go on the parish.' The large and increasing number of women who reach middle age and old age unmarried have no help of this kind; therefore it is of especial importance to them that their wages should enable them to make provision for the time when they are past work.¹ Another singular disadvantage of women is that, as statistics prove, they live longer than men;² consequently, if they want to buy a Government annuity, they are required to pay a rate of premium higher than the men's rate. Notwithstanding their greater tenacity of life, work-women as they get into years are often weakly and ailing, and are called upon to pay for medical advice or to resort to dispensaries and hospitals, thus burdening the rates, or depending upon private charities kept up by philanthropic people, perhaps by those very employers who have underpaid them for their work. Their ailments, it is said, may be chiefly traced to poor living, close lodging, and overwork. How much, I wonder, of the meat, bacon, ham, eggs, butter, cocoa, coffee, wine, and other articles that Mr. Giffen finds the 'masses' now obtain

¹ See Appendix C. p. 207.

² See Appendix D. p. 207.

more abundantly than they could fifty years ago, can be purchased out of 12s. a week, when there are also rent, coals, light and clothing to be provided, and perhaps an invalid or aged relative to be helped!

A movement in the direction of spreading trade organisation among women has been commenced. It is only in its early stages; no radical change in the rates of remuneration has yet been attempted, but many cases of small improvements might be cited, and there have been successful temporary combinations in the mill districts against reductions of wages, such as that at Dewsbury, entirely conducted by women. One important result has been the admission of women as delegates of their trade societies to the Annual Trades Union Congress, and a marked decrease of the hostility formerly shown by workmen towards the work of women—a natural hostility so long as that work assumed the form of totally disorganised competition.

A centre of agitation and encouragement has been established at 36 Great Queen Street, Long Acre, where an increasing number of inquiries are received from all parts of the country, showing that a feeling in favour of union among workwomen is steadily developing. General information about the movement will be found in the *Women's Union Journal* and other papers published by the Central League.

APPENDICES.

A.

| | |
|-----------------------------------|-----------|
| Industrial Class, Males | 4,795,178 |
| „ „ Females | 1,578,189 |

Some of the largest industries in which women are employed, in England and Wales :—

FROM THE CENSUS RETURNS OF 1881.

| | |
|--|---------|
| Milliners and Dressmakers | 357,995 |
| Cotton, Flax and Lace | 355,323 |
| Wool and Worsted | 124,855 |
| Shirtmakers and Seamstresses | 81,865 |
| Mixed Materials, Textile | 59,893 |
| Tailoresses | 52,980 |

| | |
|---|--------|
| Silk | 39,694 |
| Shoe and Boot making | 35,672 |
| Straw Manufacture | 27,983 |
| Hosiery | 21,510 |
| Earthenware | 17,877 |
| Glove Making | 13,261 |
| Bookbinding | 10,592 |
| Furniture (Upholstery and French Polishing) | 10,014 |
| Nail Manufacture | 9,138 |
| Hat Manufacture (not straw) | 9,072 |
| Box Making | 8,718 |
| Tobacco and Cigars | 8,575 |
| Paper Manufacture | 8,277 |

There are 53 industries employing from 1,000 to 8,000 female workers, and a large number below 1,000.

Domestic servants (women) now number 1,545,302; and women engaged in agriculture, 64,840.

B.

‘Besides compelling the use of the basest materials, the demand for cheapness debases the art of the printer by discouraging any effort at perfection on his part. Instead of doing his work in artistic fashion, with excellence for his aim, the journeyman, harassed by pressure to do his task within a space of time wholly inadequate for its proper performance, produces a result which otherwise he would be ashamed of. No consideration whatever is given to the manner of the work, so long as it is done in as short a time as possible.

‘Not only in printing, but throughout all the industries, the wretched results of the tyranny of competition are seen, and, alas! workmen go on making cheap and nasty things until they lose the ability to make anything good at all.

‘Fortunately there are some customers who know good work from bad, and they take pains to seek for it, and are content to pay a fair price for it when found.’—*Caslon's Circular*, 1884.

C.

Unmarried women 35 years of age and upwards, in England and Wales, 595,971.

D.

| | |
|--------------------------------|---------|
| Women aged 70 to 75 | 191,622 |
| Men " " | 158,333 |

DISCUSSION.

Mrs. ELLIS (Huddersfield Pattern Weavers) said that she held in her hand a pamphlet written a short time back by Mr. Giffen, in which he said that pattern weavers in Huddersfield earned 16*s.* per week fifty years ago, and at the present time 25*s.* To this statement she must give an emphatic denial. To-day the men weavers in Huddersfield did not average more than 20*s.* The women were paid from 15 to 30 per cent. less than the men, and did not average more than 15*s.* per week. Pattern weavers were the best of weavers, who were expected to earn more than other men. Again, Mr. Giffen said that fifty years ago weavers had 12*s.* per week, and at the present time 26*s.* True, they get more money now than was paid fifty years ago, but that did not prove that they got a fair share of the profits. I may say (continued Mrs. Ellis) I have woven hundreds of yards of the cloth I am wearing at 6½*d.* per yard; and if you look at it, Sir (presenting the corner of her mantle to Sir Charles W. Dilke, to the great amusement of the meeting), you will find that most of it is shoddy (great laughter), and the warp is cotton. Certainly there is a bit of good worsted on the face. (Renewed laughter.) I have often heard that the worsted costs 2*s.* 6*d.* per pound, but one pound will weave more than a yard. Of course it has to go through other hands than mine, but when it is sold at 9*s.* per yard, I don't think I get a fair share of the profit. (Applause.) Then, again, since I can remember, which is not quite fifty years ago, the manufacturers in our district were quite content to live in houses of not more than four rooms, with one maid of all work. (Hear, hear.) But what do we see to-day? We are surrounded with villas that are almost mansions, compared with those their forefathers lived in, and quite a staff of domestic servants. To my mind, manufacturers are not content now if they do not make more money in twenty years than used to be made in fifty. I conclude by saying with a poetess,—

We ask a fair price for our labour,
That men may be honest and true,
In justice to peer and to peasant
We'll give honour where honour is due.

(Loud cheers.)

Mr. G. SEDGWICK (Boot and Shoe Riveters and Finishers' Union, Leicester) said that the questions under discussion were of special interest to his trade, which had been revolutionised by the introduction of machinery and subdivision of labour. Under the hand-sewn method of shoemaking a man did all the work at home, and homes

were thus made workshops for the manufacture of employers' goods, and he regretted to state that the same evil largely obtained under the new system. The workman had, involuntarily, to lose much of his time going to and from his employer's shop, and being kept waiting about for work. This not only engendered unsteady habits, but also compelled the man to work almost day and night, in order to make up for the time so lost. Physical exhaustion naturally followed, and any desire for mental improvement was gone. This state of things could be remedied by the employment of the workmen upon the premises of the employers, thereby bringing about more regular, if not continuous work. The majority of the men in his trade would be very much surprised to hear statements that were made as to the average of their earnings. There were not, he estimated, more than forty-four working weeks in a year. The loss of time incurred in waiting for work fell to the worker by piece. The employer had little or no inducement to facilitate the distribution of work for the benefit of workmen; if he did, his weekly wage staff would have to be increased. The highest estimate that could be given of the wages of working shoemakers, taking the whole country, was 23s. a week, and few gentlemen would say that that was an extravagant wage, likely to be spent in 'champagne' or in 'legs of mutton for dogs.' (Hear, hear.) The detestable system of 'sweating' still prevailed in the trade, in which a number of young boys were employed as half-timers. As a member of the Leicester School Board, he had visited the schools attended by half-timers, and he found the boys were often so exhausted that to secure proper attention to the lessons being taught was a most difficult matter, the efforts to make them pass the standards and earn the grants adding mental to physical exhaustion. This evil could be remedied only by inducing the manufacturers, instead of employing men under the 'middleman,' or 'sweating' system, to have all the workers inside the factories under proper supervision. This would reduce to a minimum the large number of half-taught boys and unskilled men that now bring so much discredit on the trade. (Hear, hear.) He and his fellow-workers did not oppose machinery at all, although its introduction was detrimental to some of the best interests of the workmen; he did hold that they, as workmen, had a right to participate in the profits that are brought by machinery. It was of no use saying, 'Look at the vast good machinery is conferring upon the community!' What good was it to a man to talk about the good you were doing to those who were comparative strangers to him, if you were bringing starvation and misery into his home, by reducing his wage and taking the means of living from him? Machinery and the subdivision of labour

combined were destroying the pride that the shoemaker used to have in his work. At one time, no tradesman in the world could be more proud of his work than the working shoemaker; but, unfortunately, in consequence of the introduction of machinery and the division of labour, this was no longer possible, as the parts of a boot on which a man had to spend conscientious labour were so small that they could not be seen when the boot was made. The *esprit de corps* of the old cordwainers was being entirely lost with the new system of manufacture. There was no reason why a man should not take pride in his work, under a method that paid him to do it in a proper manner. While employers were complaining that we were losing our trade by foreign competition, they did not endeavour to point out why it was going. If they left the boys, just entering the trade, to try and pick it up as best they could, they encouraged unsteadiness and other bad habits, for the boys were compelled to go from shop to shop and from town to town endeavouring to learn a trade, which should have been taught by skilled workmen and under proper tuition. (Hear, hear.) For the workman to know only a small portion of his trade reduced his chance of continuous employment to a minimum, lowered the price of labour, and flooded the labour market. In his opinion, therefore, remediable causes do influence prejudicially—(a) Continuity of industrial employment. (b) The rates of wages. (c) The well-being of the working classes. Whatever statisticians might say, the workmen would never feel content until they had that portion of the profit on their labour which they had honestly earned. (Applause.)

Mr. H. W. ROWLAND (Cab-drivers' Society) said it might be presumptuous in him to contest propositions laid down by Professor Marshall, but he felt bound to contest a most essential portion of the professor's paper. A man who had stood well at his university, and taken the stroke oar of the university boat, was able to fight the battle of life better than a mere bookworm. Among workmen, exactly as among university men, a man who took a proper interest in sport did sometimes commit the crime of looking at a sporting paper, and he was as good a man or better in all that concerned the welfare of his fellow-men, as the man who had never seen a boat-race, nor committed the crime of witnessing a running match. Last Sunday he went from one end of London to the other to assist in organising, in one of the poorest parts of London, a public procession with the object of getting a few shillings for a convalescent home some distance from London organised by working people. A member of his society came up to him and said, 'You are walking the streets. The people want something to liven them up. If your hospital

demonstration does nothing else, it gives them a little change. Can you wonder,' he said, 'at the people here having half a crown "on" now and again, and enjoying the excitement of waiting a week or ten days until the event comes off?' (Laughter.) Without the sporting press, in his humble judgment, the life of workers would be considerably duller than it is now. (No, no.) At Derby on Boxing Day there were 6,000 people on the racecourse watching the game of football. It was a cold and miserable day, and that was the only change that strait-laced Derby had to offer the poor working people on their holiday. If they had gone to the reading-room, 5,800 of them would have had to wait outside for their turn to enter. Could you blame them for reading the sporting papers, and sometimes having half a crown 'on' a race? A terrible amount of misery was produced every year by gambling on the London Stock market and the bourses of the world. In two days they had only touched the fringe of the question. Had they had the same opportunity of exposing the tactics of the Stock Exchange and the bourses, as the sporting press gave them of dissecting sporting juggles, they would be in a considerably better position for dealing with the question. The continuity of employment was not a matter so much affected by the consideration whether he could live on a shilling a day or his neighbour on 1s. 3d., as it was affected by joint-stock operations to gain 10 per cent. or 15 per cent. by juggling with labour all over the world. The man had not arisen who could lead them out of the difficulty. If he did arise, he would have to thoroughly overhaul the operations of the stock markets of the world. The excitement of Frenchmen on the Paris Bourse exceeded that in the betting ring of English racecourses. (Question.) In his opinion this was the question. The misery was really imposed upon us by the stock markets of the world. The juggling that went on in them had more than anything else to do with the continuity and the proper remuneration of labour all over the world.

Mr. NEIL McLEAN (Edinburgh Trades Council) said that those who were forced into competition with the labour of women knew that the tendency of employers was not to raise the wages of women to the level of those of men, but it was rather to lower the wages of men to the level of those of women. In a vast number of industries in which the labour of women was employed, the sweating system prevailed, and this practically set at nought the Factory Acts, as they could not reach the women in their own homes. Indeed, the Factory Acts as they were administered were a farce. Mrs. Paterson recommended stopping an hour earlier on Saturdays instead of breaking off for dinner. But in Edinburgh there was no recognised dinner-

hour on Saturdays, and labour was continued for seven and eight consecutive hours without the slightest attempt on the part of the factory inspectors to stop the work. One means of promoting continuity of labour would be a more stringent bankruptcy law. It was to a large extent reckless speculation, that in times of prosperity caused the production of goods in excess of all purchasing power. Crises ensued, rates of wages fell, and many were deprived of employment. A more stringent bankruptcy law would do something to diminish reckless speculation.

Mr. JOSEPH HOPE (Scotch Railway Servants) said that Mrs. Paterson gave it as her opinion that reduction of hours would tend to continuity of employment. He believed it was true, and it was equally true with respect to railway servants. If the hours of railway servants were reduced, as they ought to be, many more men would be required. Mechanical appliances had involved more work on the part of railway employés. Many pointsmen had six times more to do than they had a few years ago, and their hours had not been reduced. Pointsmen were kept on duty as a rule 12 hours per day, and they had often to work overtime, and these long hours kept down wages, because at the end of the fortnight the managers added up a man's wages, and they said, 'Why, you are the best paid workman in the city.' And yet the rank and file of the body were among the worst paid, taking into account the long hours worked and the responsible and hazardous nature of their employment. If the hours of the pointsmen and others were reduced, and overtime prevented, the well-being of the whole service would be improved. In this respect no doubt railway servants might do more for themselves than they were doing at present. Railways had been created by the Legislature, and it was its duty, on public grounds, to reduce the hours of railway servants, and to give them better opportunities of reading and thinking. If something were not done, there would be loud complaint, for, in comparison with other classes, the opportunities and advantages of railway servants were unjustly limited.

Mr. A. H. DYKE ACLAND (Central Co-operative Board) said that if the Conference were to lead to anything practical, one valuable outcome would be careful statistical inquiries, conducted, not by one class of people, but by representatives of all classes, including especially the working classes. Mrs. Paterson alluded to the suggestion made by Mr. Broadhurst in the *Pall Mall Gazette* the other day as to the direct employment of workmen who co-operated in executing contracts. We were always thinking how we could promote the employment of workpeople with their own capital, and all the time many of the co-operative societies had so much money they did not know what to do with it. The problem for society as well as co-operators

appeared to be, how could this capital be usefully employed for the advantage of working people in carrying on work to be managed by themselves? Between the years 1862 and 1872 the capital of the co-operators increased about twice as quickly as at the present day. The reason why it was not accumulating so rapidly now was, because the co-operators did not know what to do with the money. Whereas the Industrial and Provident Societies Act allowed each member to hold 200% of share capital in his society (upon which in nearly all societies 5 per cent. was paid), many societies now were saying to their members, 'You shall not leave more than 100% or 50% or even 30% with us.' So the money which might be saved out of the accumulation of dividend on purchases made at the store was thrown back on members and often wasted. This happened even among agricultural labourers. In an out-of-the-way agricultural district there was a store, managed by farm labourers, which did a business of 17,000% a year, though the village in which it was situated had only a population of 1,100. They had accumulated so much money that they did not really know what to do with it. One member of the store said he had in his house 6% more a year than he had ever before; not given to him by anybody, but made for him by the society to which he belonged. Another shareholder said he had 'eaten and clothed himself into a house:' what he meant was that he had saved money in dividend on his purchases on food and clothing at the store which had remained at the store at 5 per cent., and with which he had bought a house. This accumulated capital was being now thrown back upon the members because the co-operators did not know what use to make of it. A question well worthy of consideration was, how to utilise such capital in productive or manufacturing enterprise by working people so as to make $5\frac{1}{2}$ per cent. upon it, instead of so many thousand pounds lying comparatively idle at the bankers of the co-operative societies. Several societies had upon 30,000% to 50,000% lying idle at their bankers. These societies paid 5 per cent. to their members on their deposit. If a safe 5 or $5\frac{1}{2}$ per cent. could be made by productive work to supply their own stores there would be tens of thousands of pounds forthcoming from the societies for investment. If we were to improve in matters of this kind, thinking people might well occupy themselves with this subject with a view of furthering the important principle of helping people to help themselves.

Professor MARSHALL, in reply, said he agreed with two-thirds of the speech of Mr. Rowland, who, however, was mistaken in regarding him as a bookworm. As to thousands of people watching a football match, and keeping up their interest in spite of the bitter cold, it was one of the grandest things in the world. As far as a sporting paper told one how games were carried on, instead of

encouraging readers to bet upon them, he had nothing to say against it. A reference to his paper would show that on this point he had been misunderstood, and that in what he said about gambling he was not speaking of the working classes chiefly; he was speaking about the gambling spirit that had invaded the most progressive countries of the world, and was a greater evil for the future than drunkenness; for though not as great an evil now, it was likely to increase while drunkenness diminished. That conviction was forced upon him fifteen years ago, when he was assisting German working men. He had high ideas of what the Germans would do with their leisure; to his horror he found that a great many of them spent a great part of it in petty gambling. He also found that working men in America were being tempted away from the noble opportunities before them, and were speculating largely in mines; even servant girls were doing it. In writing the paper, however, he had not these things so much in view as he had the interruption to industry caused by illegitimate speculation in business; and that illegitimate speculation was fostered by a habit of gambling which was encouraged even among little children, who would bet on races. He maintained that reckless gambling was in all classes a great evil, and that advancing education did not stop it, although it did stop drunkenness. It was on this account a much wider and further reaching evil, and it was one that would have to be circumscribed, unless the working classes were prepared to see their industry thrown out of gear a great deal more than it had been.

Mrs. PATERSON, in reply, said that no one had disputed the lowness of women's wages, and, indeed, as a fact it was generally admitted. She hoped that workmen would do all they could to help women to form societies. The working out of figures in regard to men's wages was helping trades unions greatly, by showing that trades unions had been able to raise wages, in spite of the declarations of professors years ago that they never could do it. As they had done it for men, there was hope that women's unions would do it for women. It was not necessary to quarrel with statisticians about their figures; let them enjoy their statistics. Working people knew that trade societies rested on something far deeper than figures—on sympathy, and fellowship, and experience. If workers had listened to those who said that unions would not stand unless based upon strict actuarial calculations, much good would have been left undone, for so high a rate would have been fixed as to deter many from joining; but workers had learned that figures did not rule everything in these matters. (Hear, hear.)

AFTERNOON SESSION.

DO ANY REMEDIABLE CAUSES INFLUENCE PREJUDICIALLY
THE WELL-BEING OF THE WORKING CLASSES?

The Education of Public Opinion.

BY PROFESSOR BEESLY.

POSITIVISTS hold that the principal cause influencing prejudicially the continuity of industrial employment, the rates of wages, and the well-being of the working classes, is the prevalence of wrong theories as to the organisation of the industrial class and the duties incumbent on its members. Under the title 'industrial class' I include its two divisions—the capitalists, or directors of industry, and the labourers. I am precluded from inquiring whether such a division should exist, because that question has been reserved for discussion to-morrow. I will merely say that, in common with the large majority of thinking persons, we regard that division as not only permanent, but advantageous to the community as a whole.

What is wanted is not a transference of capital from one set of persons to another, but that those who possess it should use it well. They are not likely to do this as long as the theory prevails that it is their own; that their title to possess it is one of right as against the rest of the community; that they can do what they please with it; and that if they are so good as to devote any portion of it to purposes of a more or less public character, it is a work of supererogation entitling them to extraordinary praise. At present, no capitalist receives any censure or finds himself in any ill repute if he divides the whole

of his profits between the two objects of gaining more wealth and providing comforts and enjoyment for himself. Those who are not quite so selfish too often satisfy their benevolent instincts by giving to what are called charitable and philanthropic schemes money which they have made by hard treatment of their workmen, thus perhaps earning a reputation for great munificence.

No serious improvement will take place in the continuity of employment, or the rate of wages, or the well-being of the working classes, until public opinion treats the wealth of the capitalist as a fund entrusted to him by society, to be administered for the benefit of society, and more especially of that particular group of workers for which he is responsible. I say his wealth, not his capital. The introduction of the latter word does but obscure the truth that the whole of his wealth is entrusted to him for the social purpose above mentioned, and not merely that particular portion of it which, according to Adam Smith, 'he expects to afford him a revenue;' or, according to Ricardo, 'is employed in production;' or, according to Mill, 'is destined to supply productive labour with the shelter, protection, tools, and materials which the work requires, and to feed and otherwise maintain the labourer during the process.' Looked at from the social point of view (and any other point of view is here repudiated as misleading), this wealth is entrusted to him, not simply for production, but for production securing adequate comfort and dignity to the producers, including himself, he being, as it were, the managing partner for the rest. There need be no fear that public opinion will ever grudge him such reasonable superiority in comfort and even luxury as befits his position, as long as the industrial co-operation which he superintends is carried on wisely and prosperously. But it must be understood that the support of the co-operators in as much comfort and dignity as the state of the trust fund will permit is the first charge upon it; and that they must not be pinched as long as the trustee has carriages, horses, handsome furniture, a cellar of wine, and a staff of domestic servants. The larger profits made during good years, instead of being used for a reckless expansion of the business, or an increased

scale of personal expenditure, are to be considered and treated as a reserve fund for providing continuous employment and a steady rate of wages in bad times.

It may be asked in what respect our ideal capitalist of the future will differ from the manager of a co-operative society of the present day? Chiefly in this. He will not be an elected officer, subject to removal, and more or less fettered by his electors. He will be the hereditary capitalist as he is now, administering his wealth according to his free discretion as he does now. Only he will be judged, and he will judge himself, by a different standard of duty.

To the Socialist, who will accept no solution that fails to satisfy his demand for equality, this seems a very insufficient concession. He would rather all were poor together than submit to any hierarchical organisation of society. To this lingering metaphysical superstition we Positivists have often given a conclusive answer. It would be out of place to introduce it on the present occasion; nor do I care to say more than that if the labourer can be assured a life of sufficient comfort and dignity he will turn a deaf ear to all subversive theories.

A different objection, and one which must be dealt with more fully, will be made by others besides Socialists. How, it will be said, do you expect to induce the hereditary capitalist to take this new view of his duty?

Here, indeed, is the problem. It will not solve itself by merely being left alone. I hope I shall not be listened to with impatience if I say that we must trust mainly to the oldest, the strongest, the most universal, the most beneficent of civilising agencies, the influence of religion—religion systematically promoted by an organised body of teachers. I will not claim this field of usefulness for a new religion only. I believe that the older religions, stimulated by the example of the new one, must and will address themselves to a task so honourable and so urgent, if they would not perish quickly and without dignity.

It is, indeed, no light undertaking to attempt to educate public opinion to a higher level. It can only be done gradually;

and for that reason, if for no other, it does not commend itself to the advocates of heroic remedies. But the history of civilisation shows that public opinion is capable of such improvement ; and, therefore, there is nothing visionary or unpractical in the expectation that improvement may be carried further. It is not an improvement of individual characters that we are contemplating. The goodness or badness of an individual is measured not by any absolute moral standard, but by the moral standard of his time ; and perhaps the proportion of good people relatively to any given population has never much varied. But the standard of conduct, the outward practice which is expected by public opinion, has been rising from primæval times to the present day. There have been intervals when it has receded under some aspects and for a time. And again, there have been periods of more rapid advance. But looking at history broadly, we may consider the rise to have been steady and continuous, and in every case the agreement of the most enlightened people as to the improvement necessary has preceded its general acceptance by the public.

This, then, is what we want—agreement on an ideal of industrial relations. Until that is reached heroic remedies will not be possible ; and when we reach it, they will not be needed. The Socialists unconsciously bear witness to this truth. For although they profess to place some hope in the results of universal suffrage, they hardly conceal their preference for a sudden and violent clutch at power. It cannot be asserted with any confidence that they will not find an opportunity for this. A weak Government, a sheep-like Parliament, and a violent anonymous press, might suddenly plunge us into a European war. In such a crisis revolution of some sort could hardly be escaped ; and no one can feel certain that its most subversive forms would not acquire a momentary ascendancy. But without such an opportunity the numerical weakness of Socialists, and the anarchy, which in virtue of their principles, must always prevail in their camp, deprive them of all prospect of putting their schemes in practice. In the meantime their energy and social ardour, in many cases really admirable, are wasted, and worse than wasted. For by holding out delusive

hopes of a short cut to a social millennium they divert attention from the longer but safer path.

Education of public opinion—that is the first and last word. At the risk of being charged with wandering from the questions proposed, I must say, however briefly, that those questions cannot be considered with much profit in isolation from much larger and more general ones on which public opinion is in the vaguest state. What, for instance, can we determine about the continuity of industrial employment when there is no agreement as to the regulation of production, or whether it should be regulated at all? How can we profitably consider the rates of wages until we have settled the theory of wages? Is the labourer a man with a commodity to sell, or is he a public servant doing his duty to the community, and having a claim to be supported while he is doing it? The wages he receives, are they an equivalent for the service rendered, or are they the means of enabling him to go on fulfilling his duty as a good citizen to his fellows? The pay of a soldier, the salary of a Cabinet Minister, are not determined from day to day by competition, nor yet by the degree of valour the one has shown, or the amount of business the other has transacted. Is there any reason why the services of a workman should be requited on a different principle? Lastly, how can we consider the rates of wages unless we at the same time consider the other half of the problem—the share appropriated by the employer? As to the causes which influence prejudicially the well-being of the working classes, they can hardly be investigated to any purpose except by those who are agreed on what constitutes such well-being. In what respect, if any, does it differ from the well-being of employers? What conditions go to constitute the well-being of any citizen, and what is their order of importance?

When we bear in mind that social phenomena have at last begun to be studied by scientific methods, we may hope that here too agreement will gradually be reached, as has been the case in other departments of human knowledge to which those methods have been applied. When the best minds have arrived at the same conclusions, a sound public opinion will soon be

formed, and we shall then have the means we want for influencing the possessors of wealth. Hitherto many of the most accredited economic doctrines, though worked out with irreproachable logic, have started from the unsound assumption that the laws of the production of wealth could be studied usefully apart from sociology as a whole. The consequence has been that public opinion, instead of being enlightened by such speculation, has been disastrously led astray. But before taking refuge in revolutionary remedies, or endeavouring to supersede voluntary action by State interference, let us try what voluntary action can do when the public mind is not carefully poisoned by erroneous theories. Such a programme has, at all events, this advantage, that those who believe in it can begin to work at it at once, nay, are already working at it without asking leave of anybody. Whereas the Socialist cannot even begin to apply his remedy till he has first fought his way to political power at the polling booth, if not behind barricades.

Religion will afford the principal systematic means of influencing the holders of wealth. But subsidiary means will not be wanting. The refusal of the workman to remain content with his present condition will contribute powerfully to the same result. The spread of education, and the higher scale of comfort reached during the period of prosperity that came to an end some ten years ago, have raised his requirements. The decrease in the consumption of intoxicating liquors shows that he is struggling to retain the higher level of living which he then learned to relish. And whatever economists may say, as soon as workmen generally refuse to accept a mere subsistence wage, the rate of wages will rise.

Again, there is the action of trades unions. Improve the relations of capitalist and labourer as much as you will, there will always remain a need for these standing combinations to put a wholesome pressure on such employers and labourers as are inclined to defy public opinion. The time will come when the large majority of employers will look to trades unions as a most valuable protection against the greedy competition of the worst members of the employing class.

Lastly, there is the action of the State. Although we condemn the intention of the Socialists to use the power of the State if they can get hold of it, even for a moment, to enforce their revolutionary schemes on an unprepared and unwilling community, we are quite willing that when public opinion has grown sufficiently, Government should second it cautiously with such measures as do not outstep its proper sphere. Since a beginning was made by the earliest Factory Acts, there has been an immense amount of legislation for the purpose of protecting the public, and especially the poorer portion of it, against the effects of individual cupidity and unbridled competition. Mr. Herbert Spencer has recently compiled a catalogue of it, which will be read by most people with very different feelings from those of the compiler. There is no doubt room for further progress in this direction.

I anticipate the criticism that my remarks have been rather wide of the questions set down for discussion. I would plead in excuse that my paper is a very short one, that I have refrained from saying what I thought likely to be said by others, and, finally, that I have gone to the root of the matter.

Do any Remedial Causes Influence Prejudicially the Well-being of the Working Classes?

BY W. J. HARRIS, M.P.

It may be accepted as an axiom that that nation which keeps its whole population employed by the variety of its resources is the most prosperous within itself. Other nations may be able to show a larger amount of accumulated property, but the immense wealth of the few is not, as a rule, any proof of the contentment of the many. On the contrary, when only a few are in possession of great wealth and the many are short of work, it shows an unhealthy state of the body corporate. That this state of things is the case in Great Britain can be undoubtedly asserted at the present time; and to a larger extent is it so, than at any previous period since the great discoveries of gold, and the great development of

railways. If any evidence is required to support my assertion, I may quote the words of Mr. Chamberlain, published by him in the *Fortnightly Review* of December 1883, since which date the facts are only the more evident. Mr. Chamberlain wrote as follows: 'Never before was the misery of the very poor more intense, or the conditions of their daily life more hopeless or degraded.' And again: 'But the majority of the toilers and spinners have derived no proportionate advantage from the prosperity which they have helped to create; while a population equal to that of the whole metropolis has remained constantly in a state of abject destitution and misery.' I am aware of the reply usually given to the above assertion, namely, that the returns of pauperism disprove it. But everyone who has anything to do with the relief of the poor knows well the cause of the decrease is the refusal of outdoor relief. It is also a well-known fact that the associations of working-men, such as trades unions and benefit societies, have taken a large amount of the unemployed labour off the poor rates, and yet the salient fact remains that there is more money spent in actual relief of the poor than there ever was before. In calculating the wages of our working classes at the present time, and the amount they have for their own use, these extra charges on their resources must be taken into account. The compulsory education of children and the subscriptions to trades unions and benefit societies abstract from the present wages part of that advance which economists have successfully proved has taken place during the last thirty or fifty years. When trades unions first became the rule amongst our working classes, political economists were loud in their denunciation of the principles involved. The most farseeing among the Free Trade school of thought saw plainly enough that if working-men established rules of labour for themselves, which were intended to advance their own position in the social scale, the competition from foreign countries would ultimately overtake us in our large industries.¹ They felt that in order to keep our supremacy we

¹ This feeling also led to the opposition on the part of many free traders to the Factory Act legislation which has done so much to benefit the working classes.

required our raw material at the lowest possible price; our machinery at the lowest price and greatest excellence; our capital at a low rate of interest, and our wages at a rate not relatively above that of other countries. The workmen agreed with all these conditions except the last. They maintained that they had a right to unite in order to raise wages, and the trades unions of this country are still far too popular among working-men for us to think of trying to upset them. It is the system which the men have chosen for themselves, and our political economists will do well at once to acknowledge the will of the people in this respect, and instead of denouncing such associations, to try and connect them with Government action, and to find out in what ways they may be made useful for the furtherance of British industry. The first recommendation I would make, therefore, is that the system of trades unions should be the acknowledged system of labour in this country, and that a department of the Government should be devoted to the gradual improvement of the system, and to the experimental development of both agriculture and manufactures, by means of technical colleges supported from the imperial revenue.

The first results of trades unionism which require to be checked are the 'strikes' and 'lock-outs.' If both the masters and the men formed associations which could be represented in the proposed department of the Government, these two lamentable occurrences might be made impossible by arbitrators appointed by Government itself. Of course all the money that is spent by trades unionists for the support of a 'strike' is money lost to their class and likewise to the country. Also the losses of the masters either by a 'strike' or a 'lock-out' is money wasted, and in every contract which capitalists make, they have to calculate a considerable sum for the contingency. I would propose that manufacturers should be able to make labour contracts with the authorised managers of trades unions for specified work or for fixed wages for a specified limited period. The labour representatives would have the opportunity of investigating the state of trade in the same department in foreign countries, and a fair rate of wages, or piece-work, if preferred, could be at once arranged. The funds of the trades union would be responsible

for the observance of such a contract. In case wages rose during the completion of the particular contract so as to make the individual men dissatisfied, their wages would have to be supplemented from the central funds of the trades union. On the other hand, if the wages or price of work in the particular department declined, the subscriptions of the contract men to the funds of their unions would have to be proportionately advanced, thus preventing their earning materially more or less than their fellow-men. The results would be that capital would be put into constructive works with more confidence, and that in cases where contracts were taken at a settled price by the trades union authority, the talent of every man engaged would be called forth to discover means by which savings could be effected. Joining the unions must be a matter of option on the part of every man, but when enrolled the bye-laws should be made compulsory by law.

The terms of labour ought to be the same for all employers, in a given area, though special allowances would be needed for the superior accommodation of the men. These special allowances would act as a premium to employers to provide comfortable houses for their workpeople. The rate of subscription of the men would need to be fixed at a liberal sum at the commencement.

Thus I propose to make trades unions rich and legally constituted bodies, who can deal with capitalists and whose contracts will be enforceable by law.

If one of the results should be that trades unions became in time the owners of constructive works, and able to undertake contracts of their own, without the intervention of the capitalist, the country has no need to fear such a development, seeing that we might thus be better able to meet foreign competition.

The next point to be decided is the position which these bodies should occupy towards their competitors in foreign countries. It is to the interest of both the employers and the employed that those manufactures which can be made in this country, should not be imported free of duty. The opening of our markets to all raw materials, whether of food or manufacture, has been a benefit to the majority of our workmen. The open-

ing of our ports to the free introduction of manufactured goods, and even of half-manufactured goods, has been of great disadvantage to the wage-earning class. It is true that some of these half-manufactured goods are used in certain trades as a means of producing a cheaper finished article, but when an inducement arose to produce the same thing in this country, means would probably be found for making it as cheaply here, and, moreover, there are hardly any of our exported goods that require in their manufacture any admixture of foreign substances other than the raw material. It is almost entirely in goods used by ourselves, and almost entirely in those used by the rich, that these foreign additions are necessary. The increase in the import of these manufactured goods from abroad during the free import era is very remarkable. I will compare the imports of certain articles of manufacture for the years 1855 and 1883. Here it is:—

Imports of certain Manufactured and Half-manufactured Articles.¹

| | 1855 £ | 1883 £ |
|-----------------------------------|-----------|------------|
| Clocks | 120,000 | 405,000 |
| Watches | 218,000 | 470,000 |
| Artificial Flowers | 74,000 | 450,000 |
| China Ware | 47,000 | 538,000 |
| Confectionery | — | 410,000 |
| Silk Manufactures | 1,900,000 | 11,080,000 |
| Woollen Manufactures | 1,045,000 | 7,780,000 |
| Refined Sugar | 648,000 | 4,276,000 |
| Sawn-up and Manuf. Wood | 3,900,000 | 11,500,000 |
| Paper | 47,000 | 1,250,000 |
| Flour | 2,300,000 | 12,200,000 |
| Glass | 83,000 | 1,440,000 |
| Cotton Manufactures | 240,000 | 2,400,000 |
| Gloves | 228,000 | 1,875,000 |
| Lace | 88,000 | 650,000 |
| Linen Manufactures | 68,000 | 570,000 |
| Musical Instruments | 83,000 | 718,000 |
| Toys | 51,000 | 456,000 |
| Cordage and Twine | 78,000 | 417,000 |
| Boots and Shoes | 88,000 | 250,000 |
| Hats and Bonnets | 81,000 | 180,000 |

¹ In this list I have deducted the re-exports for 1883. Had I not done so the difference would have been still more pronounced.

During the year 1884, which has been a time of extreme depression in our industries, and when the export of our manufactures has decreased by nearly 7,000,000*l.*, the import of those manufactured goods from foreign countries which are included in Board of Trade returns has actually increased, thus showing how this trade has intensified the distress. With regard to made-up garments which enter our ports in large quantities from France, Belgium, and Germany, I would propose an almost prohibitory duty. The import of such goods takes away from the earning power of the wives and daughters of the poor; and workmen know well how the supplemental earnings of this sort add to the comfort of their families. It is not as though the countries I have mentioned reciprocated by taking similar goods from us to any extent. Nearly all the made-up clothes which we export go to our colonies and the comparatively young countries from which we obtain raw material in exchange. Retaliation on the part of any of these neighbouring European countries would be most impolitic on their part, seeing that we import far more manufactured goods from them than they do from us. Adverting to the list of manufactured goods which I have already given, I will take the case of that one which will be most questioned by my audience as being an article of food—namely, flour. If a duty were placed upon foreign flour the effect would simply be an increase in the milling power at home. It is well to consider attentively the views enunciated in other countries instead of being engrossed by English ideas of Political Economy, which certain irresponsible doctrinaires have laid down for us. I will read an extract from an American newspaper in regard to the very manufacture which we have under consideration, and which shows their appreciation of a national necessity which exists for finding profitable employment for workmen in every conceivable way.

The extract follows on an interesting account of some enormous flour mills being constructed in Minneapolis, and runs as follows:—

‘We are glad to chronicle the announcement of such an enterprise, not only because we are proud of the growth and progress of the manufacturing industries of the great North-west, but for the still

better reason that we believe that our entire surplus wheat crop ought to be exported in the shape of manufactured flour, instead of in its raw state, as the greater proportion of it now is. We hope the day is not far distant when not a bushel of wheat will be exported from this country. It is the life and the vitality of the soil that is exported with the wheat, but which is saved and returned to it in the refuse product of the mill, turned into food for stock. And this, to say nothing of the labour furnished to the army of workmen required to carry on the work growing out of the operations of the great mills required to turn the hundreds of millions of bushels of wheat into the manufactured flour.'

I maintain that the advantages claimed by the Americans for keeping the manufacture in their own country are advantages which ought to be to a large extent transferred to the benefit of British workmen.

If, in place of importing all this flour, we were only importing the raw material, Wheat, free of duty, and making it into flour ourselves, we should at once require to build at least one hundred large flour-mills in this country. There is no difficulty in making wheat into flour here, any more than there is in America, and the bran and pollard which comes on the wheat, would be used in the manufacture of Meat in England, instead of the United States; thus giving to our farmers a most valuable supply of cattle food which they do not now possess. As to the balance of trade it would be in no way affected, but the very first step we took in the way of a departure from free imports would be followed in the United States by a great reaction from the system of excessive protection. The persons engaged in agriculture and all its connected trades, the holders of railway property and all persons connected with real property other than those engaged in manufacturing industry, would fear further steps on our part, and would vote in favour of a relaxation of their tariff, amounting in time to reciprocal interchange with very moderate duties on those manufactures which both countries can alike produce.

A country which raises its revenue by internal taxes, which fall more or less on its industries and on its wage-earning classes, has no right to admit the manufactures which compete with its

own, without charging a duty at least equivalent to the amount of taxes so raised. In England we have allowed burdens to remain on the production of food which belonged to the days of protection. It is generally considered right that food in its raw state should enter our ports free; but if that be so it is the more necessary at the same time to put our farmers in a position to produce it in competition with foreign farmers.

The conversion of large tracts of English land into grass, and especially into poor grass, is a disadvantage to the nation, and greatly lessens the employment of labour; and while fairly reducing all agricultural burdens, I would propose to entirely relieve all agricultural land kept in alternate tillage by a return to the occupier of a sum equivalent of all the burdens it now bears. By this means the farmer would be encouraged to keep his land in alternate husbandry, which produces far more food, and employs far more labour, than when laid down to poor grass. It would simply mean that that style of farming would be maintained which is most conducive to the wealth of the nation and to the prosperity of the labouring classes.

With regard to the production of wheat, there are special national considerations which make it desirable to maintain, and if possible increase, our acreage under that crop, and I consider that it would be a wise step for the nation to offer a special inducement for its production in years when the average price is less than 45s. per quarter. Of course I shall be told that this is putting money into the landowner's pocket, but the most superficial reasoner must be aware that the farmer would not adopt that style of farming which has become the least beneficial to himself unless he received the premium for so doing, and the large increase in the demand for agricultural labourers would undoubtedly tend to raise the scale of farm wages.

The landowners, who might receive some benefit, would be those who own land unfit for pasture, and as the rent of this land has gone back to a most unremunerative price (in fact, much of it is running to waste) I cannot see that anyone need grudge to them some improvement in their present position. When Cobden advocated the repeal of the duty on foreign corn, his great argument was that the result would be a rise in agri-

cultural wages in corn-producing countries, and his prediction was fulfilled.

Although the length of this paper does not allow me to go further, yet I consider there are other forms of industrial property, such as mines, &c., which should also have relief from taxation, whether it be local or imperial.

The means of raising revenue for these purposes should be collected from revenue duties on imported foreign manufactures, by a small tax on personal property other than that of stock-in-trade, and by an increase in the wine and spirit duties.

I consider the result of my recommendations would be that the working classes would receive more remuneration for, and would have more variety in, their labour, without raising the price of any article that is necessary to them. An improvement in their dwellings must also be the subject of legislation.

I would recommend that import duties should be placed on all manufactured goods coming from foreign countries, without exception, but that they should be divided into classes. For instance, the lightest taxed should be flour, sawn timber, and such-like goods, on which a very small amount of labour has been spent. A higher rate should be charged on such manufactured goods as are consumed in large measure by the upper and middle classes, and a still larger duty on those articles of luxury and complicated workmanship, of which the greater part of the value represents labour. All raw materials, except those which are bounty-fed, ought to be imported free, and if the Cobdenite assertion be well founded, that goods must be paid for with goods, the increase in our imports of raw materials would have to be paid for by the export of our own manufactures, while the increased prosperity of our farmers would react on our internal trade in such a manner as to create a largely increased exchange of goods at home, which would benefit all classes. I wish, however, to guard myself against all agreement with the Cobdenite writers when I quote any of their opinions.

Before concluding this paper, I must add that I consider the Government should arrange special terms with all of the Colonies for grants of land for our workmen to emigrate to, and that it might be a mode of investment for trades union funds to

advance money on mortgage on the holdings of these emigrants in our own Colonies. While advocating discriminating duties against foreign powers, I should strive for the nearest possible approach to free exchange between all parts of the Empire, and if it were necessary for attaining this end that imperial guarantees should be given for capital invested in great productive works, such as railways, &c., I consider it would be a suitable employment of national credit, provided the materials of construction were largely taken from home or colonial workshops. Certain of our Colonies are so dependent for their revenue on import duties, that we could only ask them to differentiate them in our favour. A differential duty of even 5 per cent. in our favour would probably be sufficient to keep our trade secure.

In conclusion, I believe that every proposal which tends to upset confidence in the holding of property will do incalculable mischief by drawing capital away from the country, and by stopping the outlay of money on those improvements which are now so urgently needed.

Cheap conveyance of real estate is very necessary. Lord Cairns' Act has provided a means by which the 'Law of Entail' has lost its principal objections, but there is room for further legislation.

The poor certainly ought to be able to buy property as easily as the rich, but the rich ought not to be compelled to sell without their own consent what, in most cases, represents the stored-up industry of their ancestors.

There is no space in this Paper for me to enter on the Temperance question, but everyone must agree with me in believing that there is great room for improvement in all classes of society. I believe it would be wise as a first step to abolish the power of issuing new licenses for the next ten years, and rather than buying reciprocity at the expense of diminishing the wine and spirit duties, I consider they ought to be largely increased.

I acknowledge no 'laws of Political Economy' except those which for the time being most benefit the greatest number in our own Empire. Foreign countries have shown us no con-

sideration, and it has become our turn to show our power. The proposals to make the Empire, as far as possible, self-supporting, will undoubtedly come prominently before the electorate.

The Food question would in such a case become the battle-ground. I consider this question to be one of immense importance for the working classes themselves to consider without prejudice.

No proposal coming from interested persons for the taxation of the raw material of food will be listened to. It is entirely a people's question, and it will be decided by the people. Foreign nations must be well aware that from a national point of view there is much to be urged in favour of making the Empire self-supporting, and they would therefore do wisely to understand the position, and make timely concessions in the direction of reciprocity, before the working classes take the matter into their own hands. I recommend to the working classes of this country to avoid being led away by irresponsible doctrinaires, and to remember that one ounce of practice is worth a ton of theory, and that a practical examination of our fiscal system by men who are not shackled by theory has now become absolutely necessary to the well-being of the whole nation.

The Conditions of Industrial Prosperity.

By W. H. HOULDSWORTH, M.P.

I HAVE been asked to reply to the question, 'Do any artificial or remediable causes influence prejudicially (1) the stability of industrial employment, (2) the steadiness of rates of wages?'

But the first question is—How much 'stability' is to be expected in industrial employments? and, secondly, Is 'steadiness' in 'rates of wages' either possible or desirable?

In fact, before we begin to form theories on industrial questions, we ought clearly to comprehend the conditions which

govern trade of every kind in every place. And when these are understood they must not be lost sight of. All subsidiary questions must revolve round them and bear constant reference to them. A doctor cannot prescribe for a human being with any chance of success unless he pays attention to the laws, physical, mental, and moral, which govern human life. A farmer cannot till his ground with any good prospect of a crop unless he works in harmony with Nature.

The primary conditions of a problem must be taken into account in its solution. Doctrinaires sometimes forget these. The practical man never does. He refers every new question to them, and generally finds that they settle, at once and for ever, one-half of the puzzles which are propounded to him.

The first condition which industry demands in order that it may live and grow is freedom—freedom to spring where it likes, to flow where it likes, to alter its course as it likes, to disappear if it likes. ‘*Noli me tangere*’ is the true password of industry. And to the thousand voices which from time to time press on us nostrums for the revival of dying trade, the only real and sensible answer is, ‘Why can’t you let it alone?’ If you meddle with it you will most likely kill it altogether. History is full of examples. Give it fresh air and perfect freedom to move; then there if not here, in the future if not now, in its own way, and in accordance with the laws of its own being, it will spring into vigour again. Follow it, but do not attempt to guide it or control it. Make use of it wherever its beneficent streams will naturally flow, but do not attempt to dam it up here or direct it there by artificial obstacles, contrary to its own nature and in opposition to its own laws. The effect of such an attempt has always been and always will be to check its flow, to reduce its volume, ultimately to dry up its source. In endeavouring to irrigate your own little patch of ground contrary to Nature, you will rob your neighbours and not enrich yourself.

Freedom, then, must be allowed to industry. And if so, a study of the natural laws which will govern its course becomes all the more important. It is to no purpose that we try to evolve a scheme for the better regulation of meteorological phenomena, when we know that ‘the wind bloweth where it

listeth,' and that forces are at work in the world of cloud and storm which are free to act according to their own nature, and which brook no restraint except such as their own laws impose. In like manner, it is no use endeavouring to obtain results in the world of trade which are incompatible with the primary principles which govern trade. It is better to learn these principles thoroughly, to study their action, to regulate our course by them, and to moderate our expectations, and even our desires, within reasonable limits—in other words, to descend from the Utopian to the obtainable.

All industry is governed by the great law of supply and demand. This law is to trade what the law of gravitation is to matter.

One of its first effects is to cause fluctuation. Trade changes its character, its volume, its intensity, and its value, according to the ever-varying proportion between demand and supply. Demand is ever changing; so is supply. Every variation in the one or the other makes a corresponding variation (perceived or unperceived) in values, in cost, in wages, and in profits.

How, then, is it possible to have any 'stability of industrial employment,' or any 'steadiness in rates of wages'?

As I have said, it is a question whether, if stability and steadiness (that is, no falls, but also no rises) were possible, it were desirable. The instability and unsteadiness of trade are its best stimulant.

A sailor might as well expect stability and steadiness on the ocean, a perpetual calm or an ever-favouring breeze, as the man of business, be he capitalist or workman, expect regular trade and regular work, regular profits and regular wages. Whatever calling in life we take up, we must accept it with its conditions, and the great condition of industrial life is change.

But I shall probably be told that I am evading the real issue, and the question will still be pressed upon me, Are there not 'artificial and remediable causes' in operation at the present time which make industrial employment specially unstable, and the rates of wages specially unsteady?

I do not think there are. Trade is bad, and yet people are not going out of it. Trade is unremunerative now in comparison with previous periods, yet the working classes are putting their savings into it. Our exports and imports have increased during the last ten years up to 1883, in which year they stood at a higher total figure than they had ever done before, and at a higher proportion per head of population except in the years 1872, 1873, and 1874. The average earnings of the working classes have increased by 12 per cent. during the last seventeen years, as shown by Professor Levi in his late report. Altogether, though there have been fluctuations, and though undoubtedly at present trade is depressed, yet there is nothing in the statistics to which I have access seriously to cause alarm.

But even if things were worse than they are, can it be said that artificial 'remediable causes' are at work to produce them? I know of none. The only cause at work is the old one of supply and demand.

I shall be told that hostile tariffs are causing the present depression. But is this a remediable cause? Propositions have been made for removing it. But will they succeed?

It must be remembered that those countries which have adopted and maintain a protectionist policy against our manufactures are prospering and growing rich; or at least they think so, which is the same thing. It must also be remembered that retaliatory tariffs can only be imposed by England with any appreciable result on food and raw material, as the importation of other articles is still small in extent or value. But would the imposition of a duty on American corn or on American cotton force the American manufacturer to admit English-made goods? The parties affected by the two sets of tariffs are not the same. How, then, can you get a reciprocal effect? The American farmer or cotton-planter might cry out; but the American manufacturer would resist to the utmost his monopoly being interfered with. On the other hand, our last state would be worse than the first. For with dearer corn and dearer cotton the cost of our manufactures would be enhanced, till we should lose the advantage we now enjoy over our protectionist competitors in neutral markets.

Only two suggestions occur to me. They are not new, but being founded upon the great law which regulates trade, they cannot be too often insisted upon.

The first is, open new markets. The second is, produce as cheaply as you can.

Good trade depends upon a large and wide demand, and upon a cheap supply. Every new market you can open and every reduction you can make in cost goes directly to improve trade.

In carrying out the first suggestion a wise Government can do much. In carrying out the second, intelligent and enlightened workpeople can do more.

It is to our colonies and dependencies, or to countries where free trade is guaranteed, that we must look for the markets of the future. Our exports to foreign countries have considerably decreased during the last ten years. But this decrease has been almost compensated for by the increase in our exports to our colonies—chiefly to India, Australia, and Africa.

During the present depressed times, the cost of our productions is being reduced in every direction. The future of agriculture in this country is unfortunately not bright. But other industrial employments are only at present going through the trough of the sea, and will in my opinion soon appear, as before, on the crest of another wave, if only our rulers will be wise and patriotic and our people continue to be industrious.

Home and Foreign Policy: or, How to Restore Prosperity to a Distressed and Anxious People.

BY STEPHEN HARDING.

THE practical knowledge I have of the subject here, and what I have learned from a short residence in New Zealand and from a recent visit to Canada with its magnificent wheat-growing lands in the north-west, and also the wheat country of the United States, convince me that the English farmer, unless he is put upon equal terms, will never be able to

successfully compete with his modern rival on those vast, rich alluvial plains. It is a fallacy to attribute all our past success to free trade, my opinion being quite the other way—that any success we have had has been in spite of, rather than the result of, free trade; for we must go back and remember the enormous amount of commercial activity that was called into existence in laying down the plant, &c., in order to open up these vast regions. So long as that activity lasted the demand was great, the supply limited, and the country flourishing; but when the supply exceeded the demand, then free trade became a curse and a cause of distress. We should be wrong in laying down a hard-and-fast line for all time; circumstances vary, and what might be a blessing at one time becomes the reverse at another. We have been too long under the domination of mere theorists; if we are to have a return of prosperity, we must come back to the first principles of common sense. I therefore strongly advocate equal taxation in home and foreign produce. A fair field and no favour is what this country wants and demands—a living for the tiller of the soil; a flourishing commerce; a peaceful and contented people. To advance this state of things we want a confederation of all classes with the object of assisting and protecting any one class that may, from no fault of its own, be overtaken and threatened with destruction. Depend upon it, the sooner we see and recognise our interests to be identical in all classes, the better it will be for the country generally.

This is no party question, but one that affects the whole tax-paying community. As it is necessary to levy taxes, let this be done in the least objectionable way. Let the foreigner be treated the same as the home producer. If the former wishes to enjoy the advantages of our markets he must be called upon to contribute his share of the taxes. We ask no more, and shall not be satisfied with anything less. Let us see how the case now stands with reference to the cultivator of the soil. He has had ten of the most unfavourable seasons ever known; the crops have been bad and prices low. If the land had been his own the farmer's loss would still have been a heavy one. He has neither the will nor the means to continue employing his

usual number of labourers, consequently the land ceases to grow wheat, and the hands that would have been employed, if that could be grown at a remunerative price, have to emigrate or migrate to our towns to lower the wages there. What is the use of a cheap loaf if it is produced by depriving the people of their labour and the means of buying it? To say it is a matter only between landlord and tenant would be to advocate the doctrine that a manufacturer or tradesman, upon loss of custom or lowering of profits, should not discharge any of his employés or reduce their wages, but should look to the landlord for a reduction of rent. Such an idea is too absurd for any unbiassed practical mind. If 50 per cent. of the land sown to wheat during the seven years preceding 1884 had not only been rent free but free of taxes also, it would not have paid, at the price, to have grown it. Perhaps Mr. Bright will tell us what the farmers are to do under such circumstances. Is he not aware that India is now supplying us largely with wheat, and that if it is admitted free it must very much reduce our labourers' wages here. If foreign produce is to continue to be admitted duty free, let us be consistent and allow our own produce to be untaxed and free also. I should say that a tax upon imports would be more likely to slightly reduce the value of foreign land than to raise the value of our own. We are all agreed that it is necessary to maintain a standing army and navy, yet we are throwing out of cultivation the land that could support them in time of war, and are driving out of the country the men who should form the natural source for filling our ranks.

At whatever cost, we must return to our normal state and grow at least 4,000,000 acres of wheat, this being about the amount grown ten years ago. It is now reduced to only 2,750,588 acres. The farmers will not sow unless they have some guarantee that they will get a fair return for their labour, and they can only get that, not by robbing the landowners, but by the Government taxing the imports. It may be necessary to charge these sometimes more, sometimes less, than the home producers; that must depend upon circumstances. One thing is certain—the farmers do not want a dear loaf; what they contend is that the mass of the people would be better off with the loaf at 6*d.* than

they are now. Again, there is scarcely a country that has adopted free trade in the sense or nonsense in which we have. Are we so conceited as a nation as to think that we are the only ones in the right? Why, foreigners, although they are well pleased, as we might expect them to be, with the result, are nevertheless laughing at our folly, for which we have so dearly paid. For years past the labourer has fared much better than his employer; whilst the former has been living upon his labour, the latter has had to subsist upon his capital or charity, both of which are now nearly exhausted. I do not suppose it is generally known, but such is the fact, that for many years past the general public have been partly fed at the expense of the cultivator of the soil; that is, the people have obtained their bread at a much less price than the actual first cost. Such a state of things cannot go on for ever. It reminds me of an occurrence some years ago, when a very superior luncheon was provided at a shilling a-head; a lady standing at my side remarked upon its excellence and cheapness, and could not understand how it could be done for the money. I suggested that it would be possible to get it even cheaper at a friend's, and informed her that the society of which we were members was acting to us as a semi-friend by paying one-half the cost. What that society willingly did for once, the farmers of England have most unwillingly done for years past in the matter of bread.

It has been calculated that before wheat can be fit for the consumer there is a local tax paid of at least 4s. per quarter, 3l. on a fat bullock, and 5s. on a fat sheep; if the same tax were levied on the imports it would amount to 12 millions. We should then see a change for the better in the general condition of the country. The million labourers who have been divorced from the soil would be again required at good wages, and the desired acreage of wheat would be again sown. The party advocating the nationalisation of the land, the abolition of landlordism, and the cutting up of the country into small holdings, are neither landowners themselves nor have they any practical knowledge of the subject. All that tenants want is security for capital invested and improvements made. Even the twelve-months' notice given by the late Act is a great hardship in

the case of a tenant on a poor arable farm, for the sooner he quits the less he will lose; on the other hand, land should be made as free to buy and sell as any other commodity. Primogeniture and entail should be abolished, and the men who have grown rich by the industry of the people should pay taxes in proportion—that is to say, those that have the capital should pay the principal part of the taxes. For instance, I would repeal the death dues—probate at least: for I look upon it as a legal robbery, unnecessary and harassing at a time of dire distress. Then, again, if it is necessary to raise 9,000,000*l.* on tobacco and snuff, and about 30,000,000*l.* on spirits, beer, &c., to induce people to be moderate and sober, are not those who abstain, and who now escape the tax, better able to pay than the others that do? I do not object to the one paying, but what I do object to is, the others not paying in proportion in some other way; but as the abstainers are likely, perhaps, to become our future capitalists, we can legitimately tax their income, which tax should be on a sliding scale: those under 500*l.* a year are now taxed enough, those having 10,000*l.* a year should pay half as much again, and so on up to the man with the highest income. We could very well, under the head of Property and Income Tax, raise 30,000,000*l.* instead of, as now, 12,000,000*l.* Let us adopt some such programme as this, and only vote at the next election for those members pledged to its adoption, and we should see our dear old country again take the proud position she so justly deserves and formerly held.

Now let us see the effect and result of the present distress. Our necessity appears to have been America's opportunity, which she has made very good use of. While we have been sleeping under the narcotic of free trade, she has been quietly and peaceably undermining the stability of this country by first of all taking our cash, and then in our despair many people follow. The result has been that she has added to her population over 1,000,000 a year for the last ten years, whose value must be more than enough to pay indirectly the whole of the United States' debt twice over. Such being the case, can we be surprised to find that they are enabled to reduce their debt directly

over 30 millions a year? Another point to be taken into account is that in 1873 one-half of their public debt was held abroad. To-day nine-tenths of it is held by themselves. Their country is so vast and so rich in everything man can want or wish for, that it will be only a short time before they will be able to do for the manufacturer, merchant, and artisan what they have already done for the labourer and cultivator of the English soil. There is nothing that this country exports but what in a few years they will be in a position to export to us. So long as those almost boundless virgin wheat lands of the North-west were kept out of the market for want of communication, and labour was turned to the more speculative business of gold-mining or sheep-raising, so long did it pay to grow the wheat here. All that has now passed away, never to return, and our policy must be rearranged to the altered circumstances before we can expect to reap the benefits of which we now stand so much in need.

DISCUSSION.

Mr. PATRICK GEDDES (Edinburgh Social Union) said, without contesting any of the statements or proposals of the papers dealing with the well-being of the working classes, he desired to call attention to a serious omission in almost all of them. While these dealt admirably in some respects with the question of nominal wages, they did not at all adequately discuss the underlying and essential question of real wages, which he had hoped to take up. Nor did they sufficiently face the immediate and pressing question:—How are we to act from this day forward, without waiting for those social and legislative changes, however desirable, which would necessarily need time to come into operation? How were we to do something forthwith for the real well-being of the working class? What immediate and practical means had we already in our own hands for raising it? Parliament might help us some day, certainly not much this year, nor next. Let it be supposed that all desired legislative changes were certainly coming in five years hence, and he fancied that political reformers, however sanguine, would gladly discount their hopes for that. Suppose, too, all would be well when we realised the ideal adjustments of capital and labour which not only Thomas Carlyle, but the great socialist Lassalle, all sanguine as he was, put two centuries off, and which he did not think even Mr. Hyndman saw hope of

within the present century ; the question still remained, What can we do here and now ? The politician constantly said, 'Just wait till these reforms of mine have come into operation ;' but even if it were true that when reforms did come into operation all were ever well, that should not suffice us. However good a time is coming, those next three years were the best that remained to us of life, yet they bid fair to be lean and poor enough. Could we not do something now ? What were we to do in these years of waiting for the people who had to live among present facts and not on future hopes ? Politics were all very well for the intelligent working man, and he must go in for them, but what could his wife and children care for them ? They only saw their father when he was reading his newspaper or going to meetings. Let us look at the surroundings of their lives. What most men thought the greatest scientific advance of the century was summed up in the statement that life is modified by its surroundings ; that was very different from the current notion that life is mainly modified by Acts of Parliament. What were the actual surroundings of life for the working classes, not men only, but, in the order of human, national, social, and, therefore, also political importance—first for the children, next for the women, and then for workmen themselves ? Dirty little narrow streets, jerry houses overcrowded and ill-ventilated, jerry furniture, parks generally so far away as to be of little use ; little playground for the children but the gutter ; little repose for the women but to gossip about the street doors ; no refuge for the weary men but to loaf at the street corner, if they did not muddle at the public house. And what were the best political and social reforms, or the most complete improvements of real wages ever going to do for them but improve those surroundings which made life ? They wanted better houses, and more inside them and more outside them. Parliamentary votes and Bills, and raised money wages alike could never do more for them in this world than help towards getting these ; so let us work towards getting something of them now. That was what the Society he represented was working for ; and, unlike a good many of the societies represented there, they were getting a good deal of what they wanted every day,—not living merely in agitation or on hope. This Society was trying to improve the actual dwellings of the poor in Edinburgh. It was bringing cheap and good art and beauty and culture into every-day life, so making pleasanter both work and play ; and providing cheap pictures, casts, flowers, &c. It was also helping education, not only by lecturing and the like, but by preparing gymnasia, &c. ; and it helped recreation, for their crusade against drink took the form of providing something better. The main material causes which hindered the well-being of the

poor were bad housing—unwholesome and comfortless; lack of education; lack of cheap and simple yet real pleasure; and how were these to be remedied except by working at housing, at art, at education, at recreation? It would be asked: How about the prevalent destitution? They were taking up that too—trying to organise benevolent agencies, and better still, not simply putting down on paper fine schemes for the organisation of labour, but trying some of them in practice. And so, when the time for political action in any of these respects came, they would be ready for it too, readier far than those who had been only talking meanwhile. The tendency of thus raising the standard of comfort was to produce a real action upon the distribution of wealth, and upon the population question, so that they claimed to be facing the problem not only of how to maintain the people, but how to maintain them well. They would furnish inquirers with particulars of their schemes, only asking that they might be given a fair trial. (Applause.)

Mr. GEORGE MACDONALD (Social Democratic Federation) said as a working man and a trades unionist, apart from being a socialist, he had taken great interest in the debate. Mr. Owen advocated State-aided emigration. If it were right to call upon the State to assist emigration, it must also be right to call upon it to build houses for the poor of this country. Six millions invested in houses would produce work for several thousands of people at 27s. a week, according to Mr. Hoyle. If the people had produced so much wealth, there was no need for them to work so hard; so let there be a general holiday. If people wished to get over a river they used a bridge, but that was only the means. In that way they meant to use the Government of to-day, as a means of getting over the distress of to-day. It was said that the working classes spent money in following the fashion. It was impossible for them to help themselves. In a slop shop, or a second-hand shop, all the clothes for sale are in the fashion. With respect to food, the poor had shops, not for the sale of poultry and such like, but for the sale of sheep's heads, entrails, and the refuse that was left by the other classes of society. The whole system must be changed. The workers had no interest in that which they are required to do to procure them food. Profit-mongering must be done away with. If they had produced so much more than was necessary to support them, why should so many of them be starving to-day? Why should it be necessary to call a Conference to consider the question? Were we not living in the nineteenth century, after nearly 1,900 years of the Christian doctrine—live and let live? One gentleman proposed to tax the trades unions. They taxed themselves to enable them to protect themselves from the capitalists.

There were too many idlers in this country. Why did he try to work ten or twelve hours a day; was there not enough wealth in the country to support us all? It was because the greedy few had taken so large a share, and left the crumbs for the others. They were asked to confer amongst themselves; let those rich people confer amongst themselves, and say how long this system of white slavery—worse than any of the ancient systems—was to exist. They might talk of bettering the labouring classes, but that would never be done until their rights as citizens were fully recognised, until it was determined that one man should not live on another man's labour. One gentleman said the socialists had got a grand idea and scheme, under which they were to take over the means of production and control it. Under that system the active and strong would take possession of the wealth, and the idle and vicious would be thrown into prison. Where was a better place for them? There was no fear that in any future constitution the idle and vicious would be neglected. We should take precious good care of them. What we had to do was not so much to consider how the present system could be kept working smoothly for a little longer, as to say that the system of private ownership must be put an end to.

Captain HALFORD THOMPSON, F.S.S. (Exeter Chamber of Commerce), said it was a formidable thing for one holding fair trade principles to address an assembly like that, where so many distinguished political economists were present, who looked upon all attempts to throw doubt upon so called free trade as sacrilege. However, Mr. Harris had had the pluck to attack it, and those who thought with that gentleman must not flinch from doing the same. He agreed with Mr. Harris that we should recognise no laws of political economy which did not benefit the greatest number of our own Empire. He believed that the industrial classes would hereafter discover that in blindly following the theory that they were doing good to themselves in importing any amount of manufactured goods into this country, they were really supporting a theory against their own interest. The theory was greatly to the interest of the rich and the non-producing classes, but not of the industrial classes. There was no doubt that the rich man got his luxuries cheaper by this system; to a certain extent the industrial classes might get things rather cheaper, but he was very much struck by a remark made the previous day on that point. It was all very well, remarked the speaker, to say that boots were cheaper, but he did not like to pay for brown paper. He hoped that those boots said to contain it were not of English make; but if they were, it was because things were driven down by foreign competition. (A Voice: They are English.) He

was very sorry to hear it. They were met to see if there were no remedy for the present distress, and also whether anything could be done to ensure continuity of employment. They had heard a great many remedies suggested, some of which he hoped would be of great use; but he maintained that there was one great bar to our continuity of employment, and one great cause of the distress—the immense quantity of foreign manufactured goods coming into this country. He cordially endorsed the attack which had been made by several speakers on those absurd theories of political economists. He had studied the import statistics, and prepared a table which tallied almost exactly with that given by Mr. Harris. In 1883, 64 millions' worth of manufactured goods came into this country, and 20 millions' worth of half-manufactured goods. The latter portion had done us some good, but they could just as well have been wholly manufactured here. We must remember that that 84 millions' worth of goods could have been manufactured in this country, and it was that home trade which he wished to see kept, and the proceeds go into our pockets instead of the pockets of the foreigner. If we could keep up that, and also develop our colonial trade so as to have the whole in our own hands, we could almost afford to snap our fingers at the rest of Europe if it tried to retaliate; but, in fact, Europe could not retaliate, as it had more to lose than we had. The only way he could see in which we could retain our home trade was by entirely altering our fiscal plan, and putting a duty on foreign goods. He wished to see the bond between this country and our colonies strengthened, and not reduced, and that could only be done by giving them some advantage over outsiders. The colonies could not afford to remove their import duties on our manufactures, but so long as they charged the outsiders, say, 10 per cent. more than they did ourselves, it came to much the same thing as if they admitted our goods free and charged the outsiders 10 per cent. He did not for one moment deny the immense advantage that free trade was to this country in the first instance, but circumstances altered cases, and we were very much in the position of a good billiard player and a bad one. When the two played, the bad player had points given him by the other; but when the bad player had learnt the game he did not get the points. When we first adopted free trade it was a game at which foreigners would not play until we gave them points. Now others had got our machinery, &c., and if we continued to give them points we should lose the game. He hoped they would consider the matter well, and not believe all the theories they heard from a set of irresponsible enthusiasts, but accept that which would redound to the welfare of the greatest number of the community.

Mr. H. J. PETTIFER (Workmen's Association for the Defence of British Industry) said he was on the same side as the gentleman who had just spoken. He had brought a little extract, which was the first to turn his attention in the direction of fair trade or protection. It was only a few lines :—

‘Those who speak of the selfishness of protection as a whole can never have taken the trouble to examine the arguments by which it is supported in America and Australia. In these countries it is no mere national delusion ; it is a system adopted with open eyes as one conducive to the country's welfare, in spite of objections known to all, in spite of pocket losses that came home to all. If it is, as we in England believe, a folly, it is at all events a sublime one, full of self-sacrifice, illustrative of a certain nobility in the natural heart. The Australian diggers and Western farmers in America are setting a grand example to the world of self-sacrifice for a national object. Hundreds and thousands of rough men are content to live, they and their families, upon less than they might otherwise enjoy, in order that the condition of the mass of their countrymen may continue raised above that of their fellow-toilers in old England.’

This was from *Greater Britain*, the well-known work of the President of the Conference. The opening of our markets to raw materials had been of great benefit to our working classes, and he was not one of those who would be in favour of putting a single penny duty on food or raw material coming into this country. Trade was very much depressed, and he did not think we should benefit much by putting duties on those things. Some time ago a man, after running along a London street late one night, became quite exhausted. As he was leaning against some railings a man came to him and asked him what was the matter. He replied that a thief had snatched his watch and he had tried to catch him, but could not run a step further. The other man said, ‘Are you sure you can't run any further?’ ‘Yes.’ ‘Then I'll take your hat.’ (Laughter.) That was exactly the remedy proposed by Mr. Chaplin and Mr. Lowther for the present distress. Those gentlemen said trade was very depressed, the working-man had little work and less money, and they proposed to remedy that by taking his cheap loaf. (Hear, hear.) But we would not have that. (Applause.) One gentleman said he was opposed to the political economists, and yet his remedy was the same as that suggested by Richard Cobden. In a speech made in the House of Commons in February 1842 he said :—

‘The question resolves itself into a very narrow compass. If you find that there are exclusive burdens on the land, do not put a tax upon the bread of the people, but remove the burdens.’

Some of the gentlemen were of opinion that that would benefit the farmer very little, but Cobden provided for that. He suggested in a speech made in London on December 11, 1844, that rents should be fixed on a sliding scale, to be determined by the price of wheat in the open market, so that the more a farmer got for his wheat the more rent he would pay, and *vice versa*. He believed that the free importation of manufactured goods had been a great disadvantage to the wage-earners of this country, and the depression of the present day was almost entirely due to it. Let us go back to the time when every trade and branch of industry was prosperous, when every man who wanted work could get it. That was from 1871 to 1874. How was that? Simply because for that time we had a sort of artificial protection. France and Germany had not recovered from the effects of the war. Just as they recovered, so the trade of England went steadily down. The amount of manufactured goods coming in was 60 millions' worth, but that was a mere fleabite. It was not the amount of goods coming into this country that workmen cared about, but it was the price at which they came that caused the mischief. The year before last there were only 46,000 Waltham watches imported, but they brought down the price of the English watches, although much inferior to them. Even the price at which an article could be sold abroad ruled our markets, although the article never entered our markets. An ironmaster making a tender had to know the prices in Belgium, and send in his tender accordingly. He was a protectionist, and he could not help being so because he was a trades unionist. On his card of membership it said 'Electroplaters' Trade Protection Society.' The members bound themselves to protect each other against their employers and fellow-workmen, but they did not offer any protection against the cheap labour of the Continent. He could not see what difference it could make whether a foreigner came here, or stopped at home and worked longer hours than we did: the result in both cases was the same. He had the right to demand that his trade union should protect him in the one case as much as in the other.

Mr. JOHN MORLEY, M.P., said so much had been introduced into the discussion about the Cobdenite writers, so-called irresponsible doctrinaires, and other advocates of free trade, that he was impelled to submit one or two points to the Conference. Mr. Pettifer had said that he had been converted by a paragraph in a book which set forth that the American protectionists declared that they would not allow their toilers to sink to the level of the toilers in the old country. [Mr. Pettifer: It was from Sir Charles Dilke's *Greater Britain*.] Yes; but Sir Charles Dilke was setting forth the point

of view of the American and Victorian protectionists. Mr. Pettifer might have remembered that at the present moment the wage receiver in the United States is not one atom better off in the majority of cases than the wage receiver here. It was not to be denied as a matter of fact that the iron-workers at Pittsburgh are much worse off than those at Wolverhampton. ('Tell us how.') It was not for him to explain why; he was dealing with an argument that Mr. Pettifer supported by an example which did not make in favour of his position. (Hear, hear.) Captain Thompson said that we should devote our whole energies to our home trade, and let foreign trade take care of itself. That sounded very well, and very domestic and agreeable, but he would like to know what would become of half the industrial population of our country if we were to lose that foreign trade which Captain Thompson and Mr. Harris would undoubtedly injure and, for aught they cared, destroy. One gentleman said if the colonies were to federate, there would be a great alliance and great interchange of commodities in consequence. Was there any probability of such a thing? Was it not clear that it was the protectionist policy of Canada and of Victoria which made federation impossible? Those colonies would not consent to give up the control of their own tariffs. To think that federation would ameliorate the condition of things in this country was a great delusion. Mr. Harris said that all raw materials should be imported free. Had that gentleman considered fully what were raw materials? Was yarn to be considered a raw material? It was the raw material of the spinning industry. Aniline dyes were the raw material for the dyers. Were they to be considered raw materials? Those were incidental and secondary points, but they went to show that Mr. Harris had not thoroughly looked round the scheme which he had propounded. They were told that a limited protection—he used the fairest word he could—would be good for the distress in English industry. What English industry was at present most depressed and was the cause of distress in other industries? It was the shipping industry. Members of the Society of Amalgamated Engineers knew that the great stress upon its funds was due to the fact that only one-third the amount of shipbuilding was now going on as compared with last year. So many commodities entered into shipbuilding—so much ironwork and woodwork—that a great number of subsidiary trades and an enormous portion of the industrial population were affected by depression in that single industry. Nothing could be so evident as that to limit the exchange of commodities, and to check the importation of foreign goods, manufactured or raw material, into this country, was to depress the

shipping trade. Foreign countries had shown us no consideration, and it was our turn to do—what? To exercise our power to injure ourselves for the sake of repaying them? That was a power the use of which he hoped nothing would induce the industries represented in the Conference to sanction. (Applause.)

Mr. W. J. HARRIS, M.P., said that his reply to Mr. Morley, M.P., must necessarily be short. Mr. Morley had laid great stress on his contention that if we limited in any manner the quantity of manufactured goods which we received, it would tend to our shipping having less employment; but he seemed to forget that if we consumed less of foreign manufactures we should manufacture a larger quantity at home. The consequence would be that we should import a larger quantity of the raw materials which mostly came from distant parts of the world, and we should mostly live on that which only came from Antwerp, Boulogne, and Rotterdam. Consequently our shipping interests would be gainers instead of losers. All knew how important our shipping industry had been to the nation, and he wished to point out that it was the only industry in which we had had real free trade. The foreigner, for his own sake, had been satisfied to accord to us free exchange in ships, and our natural advantages had gained for us a great supremacy. This was a proof of the soundness of perfectly free exchange if it could be ever gained; but it was an illusion to suppose that it could. Already foreign countries by means of bounties, &c., were endeavouring to wrest from us this one arm of our strength. With regard to the present great depression in our shipping, he hoped and believed that it was not a permanent depression, but that it would gradually pass away. The profits that had been made in shipping were large some years since. It was hardly recognised why they had been so large. The great stimulus had been brought about by the bad harvests, and by the discouragement of corn production in this country. The quantity of corn which had to be brought from abroad to supply this deficiency had made a great demand for shipping, and had led to over-production. It was therefore the failure on the part of an internal industry which caused the development of our shipbuilding, and this was in no way due to the fiscal system of our country. Cobdenites were apt to value our success as a nation by adding our imports and exports together and taking the result. It was a most fallacious test. A bad harvest caused immense imports, while a good one required small imports. And it had never been proved that the nations which supplied us took our goods as payment in exchange; in fact, the contrary was manifest. The real value of our foreign trade might be better seen by taking the value of exports for the last year, say

235,000,000%. About 15,000,000% of this was coal and raw iron, which could be more usefully used at home, and were an abstraction from our national wealth. This would leave 220,000,000% as the value. Taking from this the value of exports to our own colonies (which fair traders would not only keep but encourage to the utmost), say about 90,000,000%, the result would be 130,000,000%. Seeing that some 90,000,000% out of this were manufactured and half manufactured goods which might be made at home, the result was about 40,000,000% per annum as the real export value of our foreign trade. An increase in the growth of farm produce in this country to the extent of only 20 per cent., brought about by the unburdening of the land, would tend more to the advantage of our industrial occupations than the whole balance of our foreign trade; but it must be equally remembered that our foreign trade would certainly not suffer in the countries which supplied us with raw materials and took manufactures from us. In fact, on Cobdenite principles the export trade to such countries would be largely increased if it were true that 'goods always paid for goods.' As to any nations retaliating against us on account of our imposing moderate duties on their manufactures, there could only be four European nations that could be very materially affected, and these four nations send to us far more manufactures than we send to them. It would therefore be most impolitic for them to retaliate. As to the United States retaliating, the effect of import duties would have exactly the opposite effect in that country. The whole of the population who are devoted to the production and carriage of the raw materials and food with which they supply us so largely would fear our taking further measures in the same direction, and the result would be a reciprocal treaty, with equal duties between ourselves and that country, which would be very much to our advantage. Time would only allow of his saying that no argument of Mr. Morley's had shaken him in the slightest, and he maintained that every part of his paper was unassailable. A gentleman in the body of the hall had reproached him for undervaluing the laws of political economy, and had asked him 'why he did not value this as much as the laws of gravitation.' His reply to that was that the laws of gravitation were created by the Almighty, but the laws of political economy only emanated from man. (Applause.)

Mr. HARDING, in reply, said he would admit that free trade had been a blessing to this country, but he would have us remember the state of the world at the time when it was so. At that time our colonies were not opened up, and there was a great demand for everything that we could produce. Even the great wide lands of North-west Canada were about that time a sealed book. Let us re-

member also the amount of commercial activity required to open that vast district. What was good then is the reverse now. He charged free trade with being the cause of all the distress we were now suffering from ; for did it not deprive the people of the means to procure the necessaries of life by the foreigner underselling the home produce ? If it only required the labour of one man to produce the necessaries of life for seven persons, that showed that the other six must be producing or living in luxury. The working classes could not improve their own condition legitimately without improving that of the capitalist. As long as we kept up a standing army and navy at a considerable cost, was it not fair that we should tax the foreigner to the same extent as the home producer ? It had been calculated that a farmer paid a tax of 4s. on a quarter of wheat, 3l. on a fat bullock before he sold it, and 5s. on a sheep. He asked that we should tax the foreigner on the same terms as the English producer. He had lately been to America and seen what they were doing there, and he could say that if we went on in our present way there would soon be as great distress amongst the merchants as among the labourers. Our home policy was of much more importance than our foreign policy. Some advocates had suggested the distribution of wealth by the equalisation of capital, and said that each person would have about 249l. That was very fallacious, as the calculation was made upon the basis of a going concern. If the value were realised, would there not be a depreciation of property ? What would be the use of the palaces we saw on every hand ? What was equal to-day would be unequal to-morrow. Whilst we were standing still with respect to our national debt, the Americans were reducing theirs at a great rate, over 30,000,000 dols. a year ; and nine-tenths of it was held by themselves, although in 1872 one-half of it was held abroad, and largely by Englishmen. They were going ahead, whilst we were going back or standing still.

The CHAIRMAN said it was quite clear that sufficient account had not been taken by some speakers of the fact that the United States had possessed—although they were now beginning to lose that advantage—enormous tracts of unoccupied and valuable land. With that advantage their great increase of population and of production would have taken place whatever their commercial system might have been.

*How far do Remediable Causes Influence Prejudicially
the Well-being of the Working Classes?*

BY SEDLEY TAYLOR, M.A.

(*Late Fellow of Trinity College, Cambridge.*)

UNDER an industrial system carried on for the purpose of exchange, the price of the finished article, after covering every outlay incurred in the purchase of raw materials, maintenance of machinery &c., must supply the remuneration of all the persons who have collaborated in its production. In any industrial establishment, therefore, it is the sum total of sales, less that of outgoings incident to the process of manufacture, which constitutes the ultimate remuneration-fund for all human services rendered within it; including, of course, the supply of capital, as well as every application of brain-power, manual dexterity and muscular strength in all departments of direction and work. The well-being, as a body, of the entire staff which supplies these services must, therefore, in any given establishment, depend on the amount of this remuneration-fund. Similarly, the well-being of each separate class of collaborators must depend on the portion of the remuneration-fund allotted to it, and individual well-being on the amount which the ultimate distribution of that portion brings to each man.

Inasmuch, then, as the amount of the remuneration-fund measures, *cæteris paribus*, the prosperity of an industrial concern, and that amount largely depends on the vigour and skill with which every part of the industrial process is performed, it would seem eminently desirable, in the interest of a successful result, that the two following conditions should be satisfied:— (1) That every collaborator should be made and kept aware that the fund available for joint remuneration is the direct result of the concerted efforts of each and all. (2) That the share falling to each grade of collaborators should be allotted

on such a scale, and distributed on such principles, as to enlist the full exertion of each man's physical, mental and moral faculties, with a direct view to a prosperous result. Any arrangement, therefore, which practically concealed from an important section of collaborators the direct bearing of their work on the joint final issue, would affect prejudicially the well-being of the concern which employed them, and with it necessarily their own. Further, even were there no such concealment, any obstacle which prevented them from regularly obtaining what they regarded as their equitable share of the ultimate joint result, would discourage zealous effort and lead to the same consequences. I contend that this is precisely the effect produced by the established system of remunerating labour. The workmen employed in an industrial establishment are paid either by time or by the piece. In neither case is there any obvious connexion between the amount of their earnings and the prosperity of the employing concern. They have no share in its direction; in the case of private undertakings they are, as a rule, sedulously excluded from all knowledge of the state of its affairs. Further, the rates of their time or piece-work wages are avowedly fixed, not on any considerations of equity, but by the varying vicissitudes of a never-ending struggle, in which one side strives to pay as little, and the other to obtain as much, as possible. It would almost seem as if the system had been deliberately planned to withhold from workmen all insight into the connexion between effort and its natural reward; or, should they attain such knowledge, at any rate to prevent its having any stimulating effect upon their conduct.

I have tried to show that, in the ways just indicated, the ordinary system of remunerating labour constitutes a cause influencing prejudicially the well-being of the working classes, since it impairs the efficiency of industry itself, on which their well-being so essentially depends. I will next try to prove that—in the language of the question to which my paper supplies one out of many possible answers—this cause is a 'remediable' one.

It is well-known how, in 1842, the Paris house-painter, Leclair, commenced the practice of allotting to his workmen— independently of and in addition to ordinary wages paid at full market rates—a share of the net profits realised in his establishment. His example was followed in 1843 by M. Laroche-Joubert, paper-maker at Angoulême, and in 1844 by the Paris and Orleans Railway Company. About ten years later the system was adopted by two great Parisian insurance companies, the *Compagnie d'Assurances Générales* and the *Union*, and subsequently by other establishments.

Profit-sharing has made, since the Franco-German war, considerably greater headway in France than it had done up to that time. In 1879 a French society, consisting exclusively of employers of labour, was established 'to facilitate the practical study of the various systems under which workmen participate in profits.' The periodical *Bulletin*¹ published by this society announces the names of new firms which have adopted profit-sharing, prints *in extenso* regulations in respect to it, and generally acts as the organ of the movement.

As will readily be imagined, there exist between these houses great differences in respect to the modes in which they have organised the profit-sharing principle. Some allot to their employés an invariable percentage of the net profits, others fix the rate of participation from year to year. The majority distribute the employés' share of profits among them in proportion to wages or salaries, but in a certain number of them length of service in the house constitutes a title to a larger participation. Of much importance are the varying conditions under which the share allotted to labour actually reaches the hands of the beneficiaries. Some houses pay it to them at once in cash; some retain it altogether for purposes of investment; others hand over a part each year in ready money and invest the remainder with a view of eventually securing to each beneficiary an accumulated capital sum or a retiring life-pension.

¹ *Bulletin de la Participation aux Bénéfices*. Paris, Chaix.

In a paper presented last year to the French Association for the Advancement of the Sciences, M. Chaix, the great Paris railway printer and publisher, who is also vice-president of the Participation Society, gave a tabular conspectus of the arrangements adopted in 49 profit-sharing establishments. A few facts taken from this source will give numerical precision to the statements which I have just made.

M. Chaix' list comprises 44 undertakings in France, 2 in Alsace, 2 in Switzerland, and 1 in Holland; but the enumeration is not intended to be exhaustive even with respect to French participating establishments, much less, of course, to those in other countries.

Of these 49 concerns, which represent a great variety of different businesses carried on both on a large and a small scale, 36 allot to their employés a fixed and 13 a varying percentage on net profits; 35 distribute this share in proportion to annual wages received; 9 in proportion to wages and standing jointly; 1 in proportion to standing only; 4 as the employer may from time to time determine. Nine concerns practise unreserved cash distribution; 23 entire retention for investment; 17 a mixed system. Of the 23 concerns which have adopted entire retention, 20 apply the workmen's dividends to constitute accumulated capitals; 3 to obtain retiring pensions. Of the 17 which follow a mixed system, 13 invest the retained portion for capitalisation and 4 for pensions. Four houses are mentioned which permit a verification of the accounts on the side of the participants, and 14 which have established consultative committees with workman-representation.

In regard to what is of course the pivot of the system, the percentage on profits actually allotted to labour in these undertakings, M. Chaix has been able to state the result with tabular brevity in only 23 out of his 49 cases. In 11 other instances he found a detailed note indispensable to make clear the rate of participation in each several case. With regard to the remaining 15 concerns no information on this point is given in his table. Taking the 23 first-named cases, at the head of which stands the munificently endowed Maison Leclaire, we find the following results:—

| Number of undertakings. | Percentage on profits allotted to labour. |
|-------------------------|---|
| 1 | 75 |
| 1 | 50 |
| 1 | 33 |
| 2 | 25 |
| 3 | 15 |
| 4 | 10 |
| 4 | 5 |
| 2 | 4 |
| 2 | 3 |
| 1 | 2½ |
| 2 | 2 |

To the workman the ratio which his share in profits bears to his annual wages is more interesting than that borne by the entire labour-dividend to the total net profits realised. I will, therefore, add that in some houses the share in profits allotted to a workman has, under favourable circumstances, reached a maximum of more than 20 per cent. on annual wages, which are always paid at full market rates. The Compagnie d'Assurances Générales has allotted as much as from 25 to 30 per cent. on wages in an exceptionally good year. On the other hand, highly distinguished houses have in bad years been reduced to a very restricted participation or to none. Thus in the year of the Russo-Turkish war a house in Switzerland, which five years before had allotted 28½ per cent. on wages, found itself reduced to no participation at all. In the ten years down to 1882, however, it had allotted an annual average of nearly 15 per cent., and thus afforded the participating workmen the means of preparing to meet bad trade by systematic saving.

The literature of profit-sharing affords, in my judgment, decisive evidence that, within the limits of its application, that system has invigorated industry by stimulating individual and corporate effort, and that it has done this by directly connecting the workman's labour with a portion of the workman's reward. It has, therefore, within corresponding limits, counter-worked the cause of diminished well-being on the part of the working classes dwelt on at the opening of this paper, and so proved that cause to be 'remediable' by actually remedying it.

The *rationale* of profit-sharing is a very simple and obvious one. We may safely assume that a man who knows that the excellence of the work which he performs has a direct influence on the remuneration to be received for it, will make far more zealous efforts than one who has no such assurance. A house, therefore, which besides regular marked wages offers a substantial share of annual net profits, may count on securing better work than it would obtain if it followed the ordinary routine. This expectation, that a direct interest in ultimate results will stimulate to improved exertion, and thus open an entirely new source of profit, is the economic basis on which the participating system rests. A moral gain to the workman in passing from the position of a mere wage-earner to that of an associate in profits is also clearly involved in the new arrangement.

In endeavouring to convey, within the narrowed limits of space, some idea of what the attained results of profit-sharing are, I find myself debarred, by the very extent of the subject, from entering upon a detailed treatment of it. A volume of 170 pages,¹ in which I have described a few of the most important cases of its application, gives but an imperfect view of what it has achieved. To go into any one of these cases with intelligible fulness is here impossible. The main point which I have to make out to the satisfaction of the Conference is, after all, that profit-sharing has commended itself in actual trial both to masters and men, and this I hope to show by producing a series of brief testimonies in its favour from witnesses of undoubted competence.

From M. Marquot, junior managing partner of the Maison Leclaire, I requested, for the purposes of the present paper, an answer to a specific question, viz., whether the participating system had in the experience of that house actually led to enhanced profits. In his reply, dated Dec. 8 last, M. Marquot cited the following facts, as affording an answer to my question:—

In 1882 the working painters, who received 75 centimes per hour, asked of the City of Paris, which fixes the wages of workmen in the building trades, to be paid 80 centimes per hour.

¹ *Profit-Sharing*. Kegan Paul, Trench and Co. 1884.

The request was granted from Nov. 1, 1882, onwards, but no increase was made in the sums to be paid for the finished work. The advance in wages would therefore have to be made good out of profits. In notifying to their workmen the increased rate of wages, the managing partners of the Maison Leclair drew attention to this fact, and explained that, if the rate of participation at the year's end was to be maintained at its previous level, the workmen must, by additional care in avoiding bad work, waste of materials and loss of time, succeed in making up the difference. The practical answer given by the workmen to this appeal is shown by the following figures. For the year 1881 the rate of participation had been, in round numbers, 20 per cent. on wages received. For 1882 it was $22\frac{1}{2}$ per cent. The rise in wages took place on Nov. 1 of the latter year. The results of 1883 brought a participation of $23\frac{1}{4}$ per cent.

'I am fully persuaded,' writes M. Marquot, 'that if we had not had profit-sharing, our balance-sheet for that year would have shown a diminution at least equal to the reduction imposed; whereas instead of that we have obtained an enhanced result.'

In the firm Billon et Isaac,¹ a joint-stock company manufacturing parts of the mechanism of musical boxes at Geneva, Switzerland, the results of profit-sharing have been studied both by the managing director and by the workmen with a very unusual degree of care and intelligence. I, therefore, addressed to M. Billon and to the participating workmen independent requests for a brief statement of their present views on the action of the system in that establishment. The answers which I received will be found in an appendix to this paper. I will quote here only a few sentences from each.

M. Billon writes :—

Since the year 1871, when we introduced this principle, it has not ceased to produce its good effects, material and moral. In the good years our workmen have put forth redoubled activity in order to

¹ See *Profit-Sharing*, pp. 33-39.

increase the profits. In the bad years, such as that through which we are passing now, they willingly lend themselves to the efforts which we make to attain a more economical production, being aware that it is to their interest to support the house. Our workmen, therefore, possess a knowledge of the difficulties of business, a thing as useful to them as to the employer.

The very real advantage which employers derive from participation well applied consists in having on their side the goodwill and zeal of the workmen, who, without this principle of union, maintain an indifferent or even a hostile attitude towards the results of business. . . .

The share in profits which we allot to our workmen is no sacrifice to our house, since we find it made up for by the good quality of the work obtained, and by economies of time and materials, a source which yields incontestable surplus profits.

The opinion sent to me by the participating workmen bears 85 signatures, representing every man present at the meeting at which it was agreed upon. No divergent view was expressed, and only three men out of the entire body were absent from the meeting.

In order to guard against a possible misapprehension of a passage to be cited from this opinion, I will premise that in the firm Billon et Isaac one-half of the share in profits assigned to labour is distributed unreservedly in cash, and the remaining half compulsorily invested in purchase of 4*l.* shares in the house. These shares receive in due course both fixed interest and also a share of profits. Each workman, therefore, participates through two distinct channels, first on the score of his labour, and next on that of his pecuniary stake in the establishment.

This point cleared, I proceed to a quotation from the workmen's opinion :—

Becoming, in virtue of the shares acquired by means of obligatory thrift, co-proprietors of the establishment in which we work, we are bound together by a strong feeling of unity, and it is to our interest to avoid useless expenditure of time, to execute work with all possible intelligence, and to economise the tools, materials &c., which are entrusted to us. In consequence we find these results: that the workman is morally raised; that saving for evil days (sick-

ness, want of employment, &c.) is facilitated, and that a friendly understanding between masters and men is established.

Thanks to a good administration, all those questions which appear to present serious difficulty have, in our house, been satisfactorily solved by participation.

Before passing from testimonies now for the first time published to some recently delivered before a French Commission of Inquiry, I will cite a paragraph from an unsolicited letter written to me by M. Goffinon, head of an important industrial establishment¹ at Paris, who has recently been appointed Chevalier de la Légion d'Honneur in recognition of his services as one of the earliest and most persistent pioneers of profit-sharing.

The following results have, M. Goffinon affirms, been fully established by long experience in his establishment :—

1. The quality of the products, or of the works executed, is better ; this is incontestable.
2. A notable economy is realised in regard to the fixed machinery, or rolling stock.
3. More active manual labour is obtained, besides a reduction in the costs of superintendence.

A participating house, therefore (adds M. Goffinon), should, and according to our experience actually does, carry on production better, more economically, and with greater expedition ; the logical result of which is the increase of its custom.

In the summer of 1883 an extra-Parliamentary commission, appointed by the French Minister of the Interior, M. Waldeck-Rousseau, to examine the question of workmen's associations, devoted eight sittings to the subject of profit-sharing. The heads of twenty-four participating concerns gave evidence in person, and seven others sent in written depositions. From the statements made by a few of the most important among these witnesses, I extract a sentence or two of leading testimony in favour of profit-sharing. This evidence is wholly additional to that collected in my book.

¹ Goffinon et Barbas, Plumbers, Sanitary Engineers, &c., 85 Boulevard de Strasbourg, Paris.

PAPER-MILLS AT ANGOULÈME AND ELSEWHERE.

(M. LAROCHE-JOUBERT.)¹

I have studied the question in all its aspects. Perfection is, it is true, not for this world ; but, if there be anything which approaches it, I believe that profit-sharing is the system which presents the smallest inconveniences. . . .

The unity of feeling created by participation makes all my workmen superintend each other—a superintendence far more real than could be that exercised by employés paid the highest wages to overlook without being interested. . . .

It is not to be supposed that the master has in consequence of adopting participation given away a part of his profits ; not at all : he has done a very good stroke of business, and this is the fact of which we must try to convince those who are not in favour of the system.

SUEZ CANAL COMPANY, 5 RUE CHARRAS, PARIS.

(M. FERDINAND DE LESSEPS.)²

From the initiation of the Suez Canal, we occupied ourselves in organising profit-sharing in favour of our employés. We went to work in a very simple way. It is statutely provided that 2 per cent. shall be annually distributed among the participating employés, and this year (1883) they received after the general meeting 600,000 frs., (£25,000). A committee composed of employés attends to those of their comrades who are assailed by disease, distress, or inability to work. These institutions maintain a complete unity of feeling between the company and its staff. We have been in a position to receive proofs of the zeal and devotion of our agents, and have only to congratulate ourselves on what we have done.

CALICO MANUFACTORY, MAROMME, SEINE-INFÉRIEURE.

(M. BESSELIÈVRE.)³

What I desire to prove is that in industry on a great scale, where the superintendence is less active than in industry on a small scale, it is to the interest of the employer to take his workmen into association. This measure will cost him nothing. The workman who knows that he is acting on his own account, and that his earnings will grow all the more the better and the more promptly he executes his task, will make efforts which are certain to increase the profits of the establishment. . . . An experience of nearly six years permits me

¹ *Enquête de la Commission Extra-Parlementaire des Associations Ouvrières.* Paris : Imprimerie Nationale, 1883, vol. ii. pp. 45, 50, 51-52.

² *Ibid.* pp. 143-144.

³ *Ibid.* pp. 189, 193.

to add that the results obtained from participation have in all points of view surpassed my forecasts.

Had space permitted I could easily have added, from the same sources, many other favourable verdicts. It is also true that a few of the witnesses described their workmen, or particular sections of them, as uninfluenced by the stimulus of profit-sharing. The balance of opinion was, however, overwhelmingly in favour of the system.

The effect on French industrial opinion of the evidence given before the Minister of the Interior's commission has been very considerable. As summary proof of this I may refer to statements made on July 13 last¹ at a banquet given by the associated trade societies of France—a body corresponding to our trades unionist organisation. Besides representatives from trade societies in the metropolis and many parts of France there were present, by special invitation, the Minister of the Interior, members of the Legislature and of the Paris municipality, officers of chambers of commerce and of employers' associations, &c.

The chairman, M. Veyssier, a working painter, after speaking of the benefits which might be looked for from co-operative production, said:—

The principle of association pure and simple is not yet sufficiently well defined for workmen in general to risk entering upon it. Those unprepared for that step would frankly accept the position of collaborators interested in the profits of an establishment under an individual master. It would be the most efficacious mode of attaching them to the house in which they worked, of making them contribute to its prosperity, of maintaining it in good repute, and of enabling the master to depend with certainty on having his plans thoroughly understood by those who were to execute them.

The chairman subsequently made a categorical demand on the workmen's part for 'an extension of the practice of participation in the profits of enterprise, the examples of which are very encouraging for employers inclined to imitate them.'

The Minister of the Interior observed that, when workmen endeavoured to secure an increased share in the results of

¹ '*Le Moniteur des Syndicats Ouvriers*,' Troisième Année, Numéro 94.

enterprise by forcing up wages, they adopted an *à priori* and, therefore, necessarily arbitrary procedure, which might even bring destruction upon an industry exposed to foreign competition, and so dry up a national source of wealth. What they claimed was practically conceded, in a form which lent itself to all the variations of the market, by participation in profits. 'You,' said the Minister, addressing the trade societies, 'have the power of doing much for its development, for if by your union you succeed in establishing a powerful representation of labour, your voice will be listened to. Capital will understand that, when you ask for a more just remuneration, you concurrently offer it a guarantee. I believe, then, that trade societies will soon place at the head of their reforms, in the list of their claims, participation in the profits of every enterprise, as being the most equitable remuneration of labour.'

On December 21 last¹ at a meeting called by the Masters' Association in the Building Trades, the Minister of the Interior pressed the same topic on employers of labour. He declared himself the 'decided partisan' of profit-sharing, which 'made the workman a source of increased profit both to himself and to his employer, attached the workman to the house, and established among all concerned a more and more intimate collaboration.'

I close at this point a necessarily incomplete sketch of profit-sharing and of the position which it has won for itself in France. That British industry also stands in urgent need of such a means of conciliation was the settled opinion of one to whose profoundly sincere and impartial mind men of all classes have long looked for guidance. In his work on *Pauperism*, published in 1871, the late Postmaster-General used these words:—

It is vain to expect any marked improvement in the general economic condition of the country, as long as the production of wealth involves a keen conflict of opposing pecuniary interests. . . . All experience shows that there can be no hope of introducing more harmonious relations, unless employers and employed are both made

¹ ' *Le Moniteur des Syndicats Ouvriers*, 'Troisième Année, Numéro 117.

to feel that they have an immediate and direct interest in the success of the work in which they are engaged.¹

Mr. Fawcett was one of the earliest and staunchest supporters of profit-sharing; he attributed a constantly increasing importance to its extension, and I am convinced that had his life been continued, his voice would have been raised on its behalf at this Conference. In fact, he long since assured me that nothing but the obligations of his ministerial position prevented him from joining me in an active propaganda in its favour.

I rejoice to be able to leave the subject of profit-sharing in the hands of the Conference, with so strong a recommendation from so universally trusted a source.

APPENDICES.

I.

Letter from M. JEAN BILLON, Managing Director of the Joint-Stock Company, Billon et Isaac, Geneva, Switzerland.

I willingly comply with the request which you have addressed to me in regard to the present working of participation in our factory.

Since the year 1871, when we introduced that principle, it has not ceased to produce its good effects material and moral. In the good years our workmen have put forth redoubled activity in order to increase the profits. In the bad years, such as that through which we are passing now, they willingly lend themselves to the efforts which we make to attain a more economical production, being aware that it is to their interest to support the house. Our workmen, therefore, possess a knowledge of the difficulties of business, a thing as useful to them as to the employer.

The very real advantage which employers derive from participation well applied, consists in having on their side the goodwill and zeal of the workmen, who, without this principle of union, maintain an indifferent, or even a hostile attitude towards the results of business.

We have so identified ourselves with participation that we no longer understand industry carried on without the application of this beneficent principle, which establishes community of interests between masters and men, between capital and labour.

¹ P. 164.

One of the great difficulties by which manufacturers are beset is that of having to meet, on the one side, the requirements of customers who are constantly calling for reductions of price in order to reach a larger number of consumers, and on the other, the demand for increase of wages made by workmen whose wants are becoming greater.

Participation partly solves this difficulty by giving to the claims of the workmen a legitimate satisfaction without increase of wages. Such increase may entail on a country the loss of an important industry, as we have had the opportunity of seeing and convincing ourselves at Geneva, in regard to several branches of jewelry and clock-making.

We will quote here the very correct opinion on participation given by M. Paul Leroy-Beaulieu, the French economist and publicist, who was formerly opposed to the system :—

‘Participation in profits is to wages what salt and pepper are to bread and meat, a relish, a stimulant. . . . It is destined, not to suppress wages, but in some sort to supply their complement and coping-stone. . . .’

We will say, by way of conclusion, that the share in profits which we allot to our workmen is no sacrifice to our house, since we find it made up for by the good quality of the work obtained, and by economies of time and materials, a source which yields incontestable surplus profits.

Geneva, Dec. 12, 1884.

II.

Letter from Eighty-five Participating Workmen of the Maison Billon et Isaac.

We are happy to be able to tell you that the manner in which M. Billon has organised participation has corresponded favourably to the legitimate expectations of the workmen

Becoming, in virtue of the shares acquired by obligatory thrift, co-proprietors of the establishment in which we work, we are bound together by a strong feeling of unity, and it is to our interest to avoid useless expenditure of time, to execute work with all possible intelligence, and to economise the tools, materials, &c., which are entrusted to us. In consequence we find these results : that the workman is morally raised, that saving for evil days (sickness, want of employment, &c.) is facilitated, and that a friendly understanding between masters and men is established.

Thanks to a good administration, all those questions which appear to present serious difficulty have, in our house, been satisfactorily solved by participation.

If the workman finds his advantage in the system, what we have just said shows that the master does so too.

Many objections have been made against participation, and of late this one :—When a master admits this principle into his house he lowers the daily wages in proportion to the share of profits which he allots. This is an erroneous statement in respect to the house which employs us. But were anyone to maintain that it is preferable to increase wages rather than give a share in profits, we should answer No! because participation has the advantage of enforcing thrift, and of counteracting the general tendency to increase outlay in proportion to increased earnings, without leaving anything for bad times.

Obligatory saving and well-understood individual interest have had a happy influence on many of our colleagues, who have become more conscientious and more laborious.

We are convinced that, admitted generally, participation will be a powerful means of breaking down the barriers between masters and men, and of thus solving, in a certain measure, the social question.

Geneva, Dec. 10, 1884.

Do any Remediable Causes Influence Prejudicially the Well-being of the Working Classes?

BY BENJAMIN JONES, of the Co-operative Wholesale Society.

(The numbers in brackets, thus (1), refer to the notes, &c. in the Appendix, p. 276.)

By well-being, I understand to be meant prosperity, comfort, and happiness. The remediable causes may be divided into two: first, an insufficient share in the income of the country; and second, an inefficient expenditure of that share. Both these causes can be removed by the exertions of the working classes themselves; but they can be removed much more quickly, with the aid and sympathy of other classes.

The present annual income of the country is estimated at one thousand two hundred millions sterling (1). This is about equal to 35*l.* per year per head of the population; to about 80*l.* per year per head of the population alleged to be engaged in some occupation or employment; and to 170*l.* per year per family. If the income was actually distributed in something

like the above proportions, and was efficiently expended, the amount is sufficient to ensure comfort to everybody.

The average cost of maintaining indoor paupers is 10*l.* per head per year, without reckoning the cost of buildings, or the cost of management (2). There are scores of thousands of honest, hard-working families whose incomes do not amount to so much as 10*l.* per head per year (3). Out of their incomes, too, they have not only to provide food and clothing, but rent, firing, light, and schooling. They also have to buy their goods retail at enhanced prices, while the poor-law officials buy their goods at wholesale prices. These families must, therefore, live on less than what the guardians consider as absolutely necessary to keep paupers barely in existence. Yet the produce of their labour ought to afford them a larger income: for, when these workers are removed to another district, to perform the same duties, with the same energy and intelligence, they receive much larger payments (4).

If some of the working classes receive too little in return for their labour, it follows that somebody else is receiving too much; and these persons are, apparently, among the rent receivers and monopolists, the capitalists, and those whom economists describe as receiving remuneration for management; which includes, not only managers and other holders of superior positions, but all capitalists who are employers of labour, or are directly engaged in business operations (5). They are said to receive their shares of the national income through the action of the economic law of supply and demand; and working-people are also said to receive their portions through the action of the same law. As this law has invariably been held up as a rule by which people are compelled to be guided, as it is invariably said that people must not grumble so long as they receive all that the action of this law will give them, and as it is asserted that the law is just and beneficent in its action, no one can fairly complain, however badly the shoe may pinch, if working people apply this same law on their own behalf, to obtain an increased share of the produce of their labour. Applied intelligently and judiciously, it will be found possible to reduce the remuneration of capital, to reduce the re-

muneration of management, and to increase the wages of the workers.

The wages of the workers can be increased by extending the practice of keeping working-class children at school till fourteen or sixteen years of age; by the adoption of shorter hours of labour; by the discontinuance of the practice of married women and mothers going out to work; by the better adjustment of each year's supply of new labour in the different classes of work, so as to prevent overstocking on the one hand, or a short supply on the other; by superior technical training; and, perhaps, by a practice of learning two trades, of different characters, so that when one is overstocked, there may be a chance of turning to the other (6). The remuneration of management can be reduced by the higher education of the working classes, which will increase the supply of competent persons for superior positions in proportion to the demand; and by the formation of Co-operative Associations, where the principal positions will be filled by the selection of the fittest, thus giving the humblest a chance, where now only a few specially favoured ones are allowed it (7). The interest, or profits, on capital can be reduced almost to zero, by the working classes accumulating their own capital, and using it, as far as is necessary, in providing joint self-employment. Capital in the hands of non-workers would then have to be loaned mostly to Associations, and the rate would gradually get lower and lower, until it is conceivable that some would be gladly lent, on perfect security, at no interest, solely for the advantage of receiving it back again at some future time, without having the trouble and risk of taking care of it in the interval (8).

Rent receivers and monopolists stand to some extent in a class apart. By rent receivers, I do not mean the people who simply receive rents equivalent to interest on moneys actually expended in improvements and buildings. These are in the same position as other capitalists, and the supply and demand principle fully meets their case. But I mean those who, in consequence of their privileged positions as landowners, absorb a large share of the national produce by the appropriation of

what is now usually called the unearned increment. This class of rent receivers, together with monopolists generally, can only have their portions reduced by the working classes taking their proper position in the councils of the nation, and sending sufficient members of their own class to Parliament, to insist upon equitable legislation and administration. The greatest intelligence, the highest skill, the strictest honesty, and the most energetic industry, are powerless to improve the well-being of our class, unless the Government is conducted with knowledge, wisdom, integrity and justice (9).

By the abolition of inequitable monopolies, and by the equitable administration of national affairs, the working classes would benefit to the extent to which they would be relieved of charges they now have to bear, and by the public executive rendering them additional and improved services. By a reduction in the rates of interest on capital, the working classes would be benefited to the extent to which they used the capital of others, either directly as borrowers, or indirectly as consumers. By the reduction of the remuneration of management, the working classes would be benefited to the extent to which they were consumers of the articles persons in such positions helped to produce. By the establishment of co-operative associations, some of the working classes would further benefit by the greater share of lucrative and superior positions which would fall to their lot, by the practice of selecting the most capable men for those positions; and all would benefit from the greater success which would result through the adoption of this practice. By the direct increase in the wages of the workers, the working classes would benefit to the extent to which other classes consumed their productions. The total income of the working classes could thus be at least doubled without inflicting the slightest injustice on anybody.

Besides this increased income, there is to be considered the additional income that could be derived by a more efficient use of our natural resources. It has been asserted that five hundred millions sterling could be profitably applied to the higher cultivation of the land (10). A general practice of

equity would encourage the rapid application of this capital, for persons would then feel secure of receiving their just reward. It would also encourage increased efficiency in most trades; for there is a great difference in the results from a body of men driven to work, and a body of men working freely, with their hearts in their work. The progress of invention, too, is likely to continue adding to the comforts and enjoyments of life, without adding to its labour (11).

In the foregoing part, the working classes have been looked at as producers. They must now be looked at as consumers. An increased efficiency in the expenditure of their incomes can be secured as follows:—

By supplying their wants through co-operative stores, they reduce to a minimum the costs of distributing their food, clothing, &c., which, by the present system of competitive trading, is conducted in anything but an economical manner (12).

A still more important point is to avoid imprudent marriages and large families. Nothing is so certain as that it is unwise to marry if a man cannot bear the expense of decently maintaining a wife; and it is equally certain that, say, 30s. a week will not keep a man, his wife, and half-a-dozen children so comfortably as it would keep a man, his wife, and two or three children. With a large family, the mother often lives a life of wretchedness and slavery; and is unable to pay those attentions to her husband that would make life sweeter for both of them. The food, clothing, and schooling of six, as compared with that of two, the doctors' bills, the nursing, and the crowded-out home, must be items on the wrong side of the account, altogether out of proportion to the pleasure that the existence of the additional children can be supposed to confer on the parents (13).

The existence of the Royal Commission on the Housing of the Working Classes speaks to the prevalence of bad and insufficient dwellings. The direct benefits of any reduction in rents would be included in the estimated increased income previously mentioned. But the increased comfort, pleasure, health, energy, and intelligence, which result from good, roomy

dwellings, would, when obtained, be a distinct additional gain, and would mean an increased efficiency in expenditure. Improved dwellings, both in town and country, can be obtained by means of co-operation. It is possible in twenty-five years to make all the working people who care for it the owners of their own dwellings, with very little, if any, additional expenditure beyond the weekly rents now paid by them (14). One thing, however, will have to be done—at any rate in the country. The men who, as magistrates, commit to prison the man who happens to have no place to lay his head; and, as landlords, refuse either to build dwellings, or let others build them, will have to cease their dog-in-the-manger policy, and must be compelled to permit their erection.

Excessive drinking is another item which I consider separately on account of its extent. It is estimated that the working classes expend one hundred millions sterling a year, either directly in payment for drink, or indirectly by loss of work, &c. All money spent in drink is not completely wasted. So far as it gives pleasure it may be well spent. But when the drink causes pain, wretchedness, and worse evils, the money is badly spent. The cost of excessive drinking, together with the working time lost thereby, and the loss of home pleasures, must therefore be added to the list of inefficient expenditure (15).

Very little improvement in the well-being of our class can take place without providence. By this I don't mean the penurious system of thrift which is so often recommended to the poor by those who are wealthy. I don't believe that a man does good or gets good by doing without a pot of beer or a pipe of tobacco merely to enable him to save another sovereign. But by providence I mean a judicious and careful provision for the requirements and contingencies of civilised life. Sick and burial insurance, membership of trades unions, annuities for old age, abolition of the tallyman, and ceasing to take credit for articles of daily consumption, are items that are receiving constantly increasing support. A higher standard, however, must be set up, to which our people will grow steadily, if slowly. Numbers have already grown to it, and even passed it. In addition to what have been enumerated, the possessions of a

working-man ought to include a comfortable, well-furnished, freehold dwelling, the amount of capital necessary to provide self-employment, and a sufficient sum to equip each child when it begins to labour for its own subsistence (16). Until men get into this position, they are justified in exercising thrift of a fairly severe character. But I would not go so far as to sacrifice all, or most, of present day enjoyments for the prospect of future ease and pleasure. The future may never come, and if it does, the penurious man may have become paralysed to all pleasures.

Attention to domestic economy is of great importance. Most working men know the difference between a clever housewife and an inferior one. The value got out of the husband's earnings by one as compared with the other is immense. A good general knowledge of the relative values of different kinds of food and clothing, of cookery, and of the other essentials for health would add a great deal to the total efficiency of the incomes of the working classes. Associated homes are closely connected with this question. They are as yet very unpopular in England, and may always continue so; but if adopted, women could be relieved of much household drudgery, the pleasures of home could be largely increased, and all the surroundings could be improved and brightened, without one penny extra cost or a single particle of disadvantage. These benefits would result from division of labour and by enjoying in common those of their possessions which could be used in this manner without private disadvantage (17).

By a general adoption of prudence in marriage, of temperance in strong drinks, of habits of providence, of improved domestic economy, of the use of co-operative stores, and of improved dwellings, the spending power of working class incomes would be increased by at least 40 per cent.

Part of a man's income can well be devoted to shortening his hours of labour; or as it would be usually put, he can work less, and so earn less. If the time is not excessively shortened, he will be able to recoup some portion of his so-called lost time, by the increased energy and skill he could put into his work. His so-called leisure hours should be partly used in looking

after the interests of the public, both in local and national affairs. The practice of holding Town Council meetings, and that of other organised bodies, in the evenings, would enable working men to take a fair share of this work. Doing it, would also help to break down those stiff social barriers which are bad for both rich and poor. Community of feeling, and identity of tastes, might well be considered better rules for the selection of friends, than the possession or non-possession of wealth.

The range of choice of amusements for working people has been very limited; but it is rapidly widening, and will soon be varied enough to suit everybody. The great difficulty remaining in connexion with recreation, is how to spend Sunday. It is almost a compulsory choice now between Bible and beer. There ought to be other choices open for those who do not care to be so extremely limited. The opening of museums, libraries, and newsrooms on Sundays, with proper provision for the attendants having a holiday during the week, would not hurt anybody, and would do good to thousands (18).

With increased wealth and culture among the working classes, we may look forward to an increased love of the beautiful among them. This might be accelerated, if steps were taken to improve the public and semi-public property in working class districts. Perhaps it will convey distinctly what I mean, by suggesting that Mr. Ruskin would be more likely to improve the artistic tastes of the nation, if, instead of hindering its growth among the working classes by preventing the construction of railways in picturesque localities, he would help to prevent railway companies erecting hideous, foul, dripping viaducts in thickly populated neighbourhoods. Railways need not necessarily be ugly; and the cost of building an attractive viaduct as compared with the cost of an ugly one, makes a very minute difference in the total. Railway companies should remember that if monopolies have their rights, they also have their duties (19).

There is a class below the ordinary working class that requires notice—Mr. Bright's famous 'residuum.' This class comprises criminals, paupers, casuals, and those just above them, who have some self-respect and power of work left, which causes

them to labour fitfully, so as to provide the means of existence. It is largely recruited from all classes, although the working class is usually charged by the others with being the sole source of supply. The problem of dealing with them is a difficult one. Intelligent benevolence may do a great deal to alleviate their misery, but it cannot do much to raise them up. Efforts have been made, and are being made, which, if successful, would mean thrusting them above the heads of members of the unskilled working class, who, by their prudence and industry, would not deserve to be so treated. In charity, as well as other things, considerations of equity should prevail; and for benevolent persons to help into positions of prosperity and comfort people who have for perhaps half a lifetime led drunken and dissolute lives, is to put a premium on extravagance and improvidence, which acts as a direct discouragement to the weaker portion of working people, who see such acts of unjust and sentimental partiality perpetrated (20). Men and women who have fallen, should be encouraged and stimulated to rise by their own efforts, but should not be pitchforked into renewed prosperity. At the very best, few of the older ones can be reclaimed. Habits once formed are difficult to break. While, therefore, one would wish success to every effort, we must rely more on prevention than cure. If the young ones can be trained to better things, an improvement must follow, for the old ones will die out. To the young, the nation owes a duty. It is the godfather and godmother who has to train up its godchildren when the parents do not or cannot do it. So long as these godchildren of the State are not treated better than ordinary working class children are treated, nobody can justly complain, no evil will be done, and society will be benefited.

Having sketched the methods of increasing working class incomes, and of increasing the spending power of those incomes, there remains the question, how are people to be induced to use these methods? There is only one way. They must be instructed and educated. At last, our children are receiving a sound elementary education. To give them an opportunity of realising all the blessings that life can bestow, they need higher training in (a) technical knowledge; (b) in

culture; (c) in the moral and economic value of equity; and (d) in the power which is derived from association, the necessity for being associated, the objects for which people ought to unite, and the relative advantages and disadvantages in the different phases of life, of individual freedom as compared with association.

Technical schools should be provided for both boys and girls, and should include in their teaching every class of work, whether of a domestic, commercial, or manufacturing character. The steps already taken deserve encouragement, but provision for instruction should be speedily made general all over the country; and Government grants, together with local rates in aid, ought to be used to effect it (21). Working-men ought to have in this, as in all other matters, a proper share in the direction of the work. It will be all the more successful with adequate representative management.

Culture is needed to enable us to obtain all the happiness that may be derived from our surroundings, and has the additional advantage of tending to place all men on a level in conduct and social intercourse. The system of evening lectures by university men seems to meet the necessities of the case, if they can be given in sufficiently numerous centres, and if people will more generally attend them. If they succeed in inducing some people to derive pleasure from scientific pursuits which may increase the sum of human knowledge, and lead to inventions of permanent usefulness, a double benefit will have been secured (22).

The practice of equity needs teaching to all classes (23), perhaps less to the working class than to those above them. It ought to be made a compulsory subject in all schools, colleges, and universities, and its teaching ought to occupy more of the time of our Church clergymen and dissenting ministers. There is, I think, a distinct economic value attached to the practice of equity, equivalent to its moral value. It is obscured by the general custom of taking advantage of one another. When every man is an Ishmaelite, there must be a great waste of power. If all treated each other by the rule of 'Doing to others as you would like others to do to you,' there would be a

large force set at liberty, which could be devoted to more profitable uses than those of attack and defence.

Teaching the power, objects, and necessity of association is absolutely necessary for making a good citizen; and together with equity ought to form part of the secondary education of every child. Teaching it, involves an accurate perception of the value of imperial, national, and local government; and of voluntary associations of all kinds, whether for benevolent, social, or industrial purposes. It would be a teaching of what we co-operators understand as 'complete co-operation.' While it would rigidly respect the individual liberty of citizens, it would enable them to obtain all the undoubted advantages which flow from equitable association, chief among which may be placed the emancipation from the thralldom and tyranny of individuals; who, abusing the power which the existing social system has placed in their hands, have used it mercilessly, while they have neglected the duties which morally, if not legally, devolved upon them (24).

Until we can get these subjects included in our national educational system (25) we must rely on voluntary effort. It will be another addition to the numerous proofs of the capacity of British workmen, if they succeed in evolving a system of teaching the principles of equitable association, which, when put into practice, mean general peace, prosperity, and happiness. The attempt is being made, and, so far, there has been fair progress. The work is great, and the workers are few. Members of other classes with plenty of leisure can here find plenty of work. It is much harder than almsgiving, or doing things for people. It means teaching people how to do things for themselves. There is a great tax on the patience, and very little gratification of man's vanity; but the worker would have a nobler reward in the consciousness of having done something which would solidly promote the national well being. It would redound to their credit if, sinking class selfishness, men of education and leisure would come forward, and teach their less favoured brethren. Our path would be smoothed and straightened. But with the help of other classes, or without their help, the work will be done. The path may be longer and more

rugged, but the same sterling qualities which have raised up so many working-men to devote themselves to the well-being of their class, will raise up increasing numbers, until the work is fully accomplished.

APPENDICES.

NOTE 1. PAGE 102.

Total estimated income of the country.

This amount of one thousand two hundred millions is given by Mr. Giffen in his *Progress of the Working Classes in the last half century*, p. 27, but he supplies no data for the estimate.

NOTE 2. PAGE 102.

Cost of maintenance of indoor paupers.

The thirteenth annual report of the Local Government Board gives the following details, among others, of pauperism, pp. xvi. and xvii. :

| | |
|---|------------|
| Mean number of paupers in England and Wales, <i>in-doors</i> , in 1883 | 182,932 |
| Cost of <i>in-door</i> maintenance of ditto in 1883 | £1,869,505 |
| Workhouse and other loans repaid and interest | £430,185 |
| Salaries and rations of officers, and superannuations | £1,117,705 |
| Other expenses of, or immediately connected with, relief | £1,303,416 |

NOTE 3. PAGE 102.

*Families whose incomes do not exceed 10*l.* per head per year.*

In England and Wales there are on the average three children under twelve and a half years of age to each married woman under forty-five years of age. In Scotland and Ireland the proportion will be somewhat larger. There must, therefore, be a large proportion of the working classes in families of five and six, where the father is the only bread-winner. In all such families where the father's wages do not amount to 1*l.* a week all the year round, they must come in the above category. As it is a well-known fact that the number of adult workers with less than an average 1*l.* a week income can be counted by the million, no further proof of my statement will be needed. It is too modest, and should read 'hundreds of thousands.'

NOTE 4. PAGE 102.

The produce of their labour ought to afford them a larger income.

The migration of a Dorsetshire labourer to a Lancashire or

Northumberland farm would enable the man to nearly double his wages. Love of his native place, apathy, ignorance, and lack of money to pay removal expenses, combine to keep him at home. Similar motives operate to produce inequalities in the wages of other classes in different districts, to a greater extent than the inequalities in the cost of living would produce. The low wages mean an increased share to the landlord, and in some cases to the employer.

NOTE 5. PAGE 102.

If the working-classes receive too little, somebody else must receive too much.

Arnold Toynbee in his lectures on *Progress and Poverty*, p. 39, estimates the value of the unearned increment in land at sixty millions a year.

Members of the working classes have few opportunities of occupying lucrative positions. All superior positions in national and local government, in the army and navy, in the church, and in the legal and medical professions, are occupied solely by members of the other classes. It is almost exactly the same in commerce and industry.

The opinion of John Stuart Mill will be gathered by the following extract from *Chapters on Socialism*, published by Miss Taylor in the *Fortnightly Review*, February 1879, p. 226.

‘Since the human race has no means of enjoyable existence, or of existence at all, but what it derives from its own labour and abstinence, there would be no ground for complaint against society if every one who was willing to undergo a fair share of this labour and abstinence could attain a fair share of the fruits. But is this the fact? Is it not the reverse of the fact? The reward, instead of being proportioned to the labour and abstinence of the individual, is almost in an inverse ratio to it: those who receive the least, labour and abstain the most.

‘The very idea of distributive justice, or of any proportionality between success and merit, or between success and exertion, is in the present state of society so manifestly chimerical as to be relegated to the regions of romance.

‘The most powerful of all the determining circumstances is birth. The great majority are what they were born to be. Some are born rich without work, others are born to a position in which they can become rich by work, the great majority are born to hard work and poverty throughout life, numbers to indigence.’

NOTE 6. PAGE 103.

The wages of the workers can be increased.

The practice of keeping children at school to a later age has been gradually growing since the Elementary Schools Act of 1870. It has already had a beneficial effect on wages. If, on the average, our children were kept at school an additional year, 550,000 children would be kept off the labour market, and this would of course ultimately affect the supply of adult labour. It is true there would be an outcry against the folly of teaching working-class children so well; and how much better it would be if they were at work; but what is sauce for the goose is sauce for the gander! Well-to-do people keep their children at school for years after working-class children of the same age have been earning their daily bread, and neither parents nor children seem the worse for it.

The adoption of shorter hours of labour would raise even a greater outcry. It would be said that there is nothing for it but the importation of coolies or Chinese. If they were imported they would not be used to much advantage. They would die off rapidly under the influence of the climate. Public opinion, too, would be against the degradation of the nation by an infusion of such inferior elements. Then the imported labourers could not fall into the places of native workers and work with natives. They could not keep up either in time or skill. The whole machine would be disorganised, and what might be gained in money would be lost in efficiency. The same remarks would not apply with the same force to importation of labour from other European countries, but still they would apply, and the workers here have this advantage, that through their trades unions they can influence French and German workers to be steadfast in their demands for somewhere near what native workers themselves ask for. The following statement of the estimated number of spindles per worker in different countries will support the above view—it is taken by Mr. Jeans from Mulhall's *Progress of the World* :—

Cotton spindles per operative.

| | | | | | | |
|---------------|---|---|---|---|---|----|
| Great Britain | . | . | . | . | . | 83 |
| United States | . | . | . | . | . | 66 |
| Germany | . | . | . | . | . | 46 |
| France | . | . | . | . | . | 24 |
| Russia | . | . | . | . | . | 20 |
| Austria | . | . | . | . | . | 20 |
| India | . | . | . | . | . | 20 |

It is further supported by the following extract from the paper read to the Statistical Society in December last, on *Home and Foreign Labour*, by Mr. Jeans :—

‘With reference to the quantity of work capable of being produced by workmen of different nationalities under conditions as far as possible similar and parallel in every respect, the best information that I have found is that communicated to the Institute of Civil Engineers only a few months ago by Mr. Charles O. Budge, as the results of his own experience in the execution of engineering contracts in different countries.

‘In these tables the labour dealt with was :—

‘(1) Earthwork.

‘(2) Ordinary bricklaying.

‘(3) Hammer-squared rubble (dressing and setting only).

‘(4) Painting on new work.

‘The results are herewith tabulated :—

‘No. I.—EARTHWORK.

‘Side cutting excavated and removed to embankment; the nature of the soil, the lift, and the lead, being approximately the same in each case.

| | Showing the amount of work done in a given time, average English quantity being unity | Cost of unit of work (labour only) English average being unity |
|--|---|--|
| Englishmen | 1·00 | 1·00 |
| Frenchmen, Belgians, Germans | 0·75 to 0·90 | 0·90 to 1·00 |
| Southern Europeans | 0·60 „ 0·85 | 0·60 „ 0·80 |
| Hottentot half-breeds | 0·50 „ 0·80 | 0·90 „ 1·25 |
| Kaffirs, Zulus, &c. | 0·40 „ 0·70 | 0·80 „ 1·00 |
| Stronger Indian races | 0·40 „ 0·70 | 0·25 „ 0·60 |
| Inferior „ | 0·25 „ 0·40 | 0·20 „ 0·50 |

‘No. II.—ORDINARY BRICKLAYING.

| | The amount of work done in a given time, average English quantity being unity | Cost of unit of work (skilled labour only), English average being unity |
|---|---|---|
| Englishmen | 1·00 | 1·00 |
| Frenchmen, Germans, Dutchmen, &c. | 0·80 to 1·00 | 0·80 to 1·00 |
| Natives of India (best class) | 0·40 „ 0·50 | 0·50 „ 0·65 |
| „ (inferior) | 0·30 „ 0·40 | 0·43 „ 0·60 |

'No. III.—HAMMER-SQUARED RUBBLE (DRESSING AND SETTING ONLY).

| | | |
|---|--------------|--------------|
| Englishmen | 1·00 | 1·00 |
| Frenchmen, Germans, &c. | 0·75 to 0·90 | 0·90 to 1·00 |
| Southern Europeans | 0·55 „ 0·70 | 0·70 „ 0·80 |
| Natives of India (best class) | 0·40 „ 0·60 | 0·65 „ 0·80 |
| „ (inferior) | 0·33 „ 0·50 | 0·60 „ 0·80 |

'No. IV.—PAINTING ON NEW WORK.

| | | |
|----------------------------|--------------|--------------|
| Englishmen | 1·00 | 1·00 |
| Natives of India | 0·40 to 0·60 | 0·60 to 0·80 |

'It is not necessary to offer any comments on the foregoing figures, which show clearly the comparative capacity of workmen in different countries for doing work that is so greatly dependent on strength and energy. With reference to the cost of such work, Mr. Budge disputes the late Mr. Brassey's conclusion that difference of wages does not materially affect the price of work, contending that if Mr. Brassey "meant that wages generally adjust themselves to the ability of the workmen his statement was certainly open to question," and setting forth, with reference to "that class of work in which manual labour is the chief ingredient," that the result arrived at is, "in general, this: that the lower the wage, the lower is the price of work, though of course not in the same proportion."

It is possible to combine shorter hours of labour, at the full previous wages, with increased net profits to capital, and without an increase in the selling price of the goods. For instance, a cotton spinning mill running night and day six days a week, with relays of hands every six hours, would work 144 hours a week as against 56 hours usually worked. Assuming a capital of 100,000*l.* the 56-hours-a-week wages would be 11,000*l.* a year. The sum written off plant would be 5,000*l.* per year, and at 8 per cent. the dividend to capital would be 8,000*l.* a year. The total would be 24,000*l.* The production would be increased in the proportion of 56 : 144, so that the amount available for depreciation of plant and payment of dividend would be increased to 33,400*l.*, or a surplus of 20,400*l.* a year. But the additional sum required to pay the four sets of workers the same wages for 36 hours' work as they received before for 56 hours will take 15,700*l.*, leaving a surplus of 4,700*l.*, which would give an increased dividend to capital of $4\frac{7}{10}$ per cent. per annum. There would still be large savings from cost of management, and rates and taxes being spread over a larger production, which would probably meet all extra expenses of gas and repairs that might be incurred.

Of course, all trades could not be manipulated in this manner.

But we want to rectify injustice, and give to every man his due. Men engaged in transport seem to suffer especially from long hours. Yet the injustice could be remedied sometimes without even those who profit by the injustice very much feeling the cost of the remedy. The following figures have been extracted from the London and North-Western Railway Company's balance sheet, and an estimate made, based on the hours of labour now worked, as shown in the return published by the Amalgamated Railway Servants, of the difference that would be made in the profit of that great Company by the application of the eight-hours system without any reduction in wages :—

ESTIMATED DIFFERENCE TO THE LONDON AND NORTH-WESTERN RAILWAY COMPANY BY PAYING PRESENT WAGES FOR AN 8-HOURS DAY.

| Department | Present Wages | Basis of 8 Hours |
|--|---------------|------------------|
| | £ | £ |
| Maintenance of way, salaries | 20,018 | 20,018 |
| " wages | 136,112 | 164,000 |
| Locomotive power, salaries | 19,985 | 19,985 |
| " wages | 225,699 | 271,000 |
| " repairs and renewals, wages | 88,079 | 98,000 |
| Carriages and wagons, repairs and renewals, salaries | 4,149 | 4,149 |
| Ditto, wages | 57,251 | 64,000 |
| Traffic department, coaching, salaries and wages | 230,779 | 288,000 |
| General charges, salaries | 33,508 | 33,508 |
| Traffic department, merchandise, salaries and wages | 416,285 | 520,000 |
| Totals | £1,231,865 | £1,482,660 |
| Balance | 250,795 | |
| | £1,482,660 | £1,482,660 |

This additional expenditure would reduce the net revenue by 10 per cent., which would be equal to $\frac{1}{2}$ per cent. on the whole capital, and nearly equal to $1\frac{1}{4}$ per cent. on the ordinary stock of the Company. This is supposing there is no increased efficiency in the work through the shorter hours of labour, but a prolonged experience has convinced me that an eight-hours' labour will give better proportionate results than a longer day will do.

It is an undeniable fact that those who receive the highest remuneration give the least number of hours' labour in return for it. The weekly hours of labour of professional men, public officials, and heads of businesses, will not exceed 33 hours after holidays are reckoned off. The best situated of our artisans work 54 hours a week, and lose

their pay if they lose their time. Other workers are employed 60, 90, and as many as 105 hours a week. In London itself men will often work 90 hours for from 17*s.* to 20*s.* a week of wages.

The discontinuance of the practice of married women and mothers going out to work would meet with opposition from mill-owners, but would be looked upon with satisfaction by the greater and better part of the nation. It is absolutely needed, if working people are to be happy. At least 500,000 women now at work could then be looking to the comfort of their homes, instead of leaving them in a state of wretchedness.

The proper adjustment of the new supply of labour year by year is a part of a big question. The workers know very little of the influences that are at work, causing ebbs and flows in the prosperity of different trades. This is a Government question: the Board of Trade ought to supply not only to employers, but to the trades unions and other organised bodies, the fullest statistical and other information on all matters affecting their well-being. To be forewarned is to be forearmed. Many a disastrous break in trade could have been prevented by a timely warning to the men of what was likely to happen.

The general establishment of technical schools would afford an opportunity for men to become familiar with more than one trade. It is possible that considerable distress could be prevented if men became more adaptable, and when one trade did not supply employment were able to turn to another. The idea may not perhaps be a popular one, but it would benefit more than it would harm.

If the law of supply and demand has any effect, there must be a rise of wages from the contraction of the supply of labour by the carrying out of the above suggestions. Employers not infrequently take notice of this law when it tells against the workmen. It is for workingmen to take notice of it when the state of affairs is in their favour.

NOTE 7. PAGE 103.

The remuneration of management can be reduced.

Mr. Giffen (page 27, *Progress of Working Classes*), says the greatest part of the increase of wealth during the last half century has gone to the working classes and the next greatest part to remuneration for management. Whether the first part be true or not, the second undoubtedly is, and there have been comparatively few among whom the grand total has been divided. There is here an immensely fertile field for energetic workmen. They can multiply their wages, obtain easier and pleasanter employment, and work less hours. Yet by taking less remuneration than is now taken by the present occu-

piers of these pleasant positions, they can confer benefits on their fellow-workmen. Fair payment must of course be made for responsibilities and talents, but after all has been thus allowed, a very great saving can be effected. It is almost impossible to do so without the accumulation of working class capital, and its investment in co-operative associations; but with these conditions success is certain. An Oldham joint-stock spinning company, with 100,000*l.* capital, will spend 700*l.* to 1,000*l.* a year for management salaries, and fees of directors. The shareholders will supply about 50,000*l.*, and will borrow the remainder at $4\frac{1}{2}$ or 5 per cent. per annum. They then take all the profits. This is not an ideal form of co-operation. It does not satisfy my ideas of equity, but it is a step in the right direction, and all steps must be encouraged and welcomed. The profits are diffused among 200 or 300 men instead of being concentrated in the pockets of one or two. I have within the past few weeks noticed the following dividends declared for the Christmas quarter:—

| | | | |
|----------------|---|---|-------------------------|
| Croft Bank Co. | . | . | 15 per cent. per annum. |
| Duke | . | . | $16\frac{2}{3}$ " " |
| Parkside | . | . | 10 " " |
| Royton | . | . | $13\frac{1}{4}$ " " |
| Sun Mill | . | . | 10 " " |

There are over ninety joint-stock spinning companies in and around Oldham, with a capital of seven to eight millions sterling. They have nearly crushed out the private master spinners by the energy and skill with which they have taken up every mechanical improvement, and taken advantage of market fluctuations. They have their own banking and insurance companies, and have a joint cotton-buying Agency in Liverpool to keep in check the cotton brokers. Working-men in Oldham and its immediate neighbourhood have, during the last twenty years, secured more positions of control and management than have been accomplished by all the working-men in the country during any previous twenty years.

The ideal of co-operation is to secure the equitable treatment of all interests. But this is difficult of attainment until the nation has received a better training in the meaning of equity. All classes more or less desire to get the advantage. It has often been asked: How are you going to apply your co-operative ideas to the management of railways? A management could be devised which would probably do away with the supposed necessity for the State taking over the railways. I dislike the idea of all organisations being managed from one Government centre. Voluntary associations for every purpose, with full liberty on equitable terms for individuals to leave them and

join them, would better meet the exigencies of national life. There would be more flexibility in satisfying the varying wants of the people.

A method of managing the railway companies would be to allow everybody concerned a voice in their management through duly elected representatives. At present only shareholders are allowed a direct voice. But the employes and the customers have interests in the railways which, although at present ignored, would warrant them in having a share of the management allotted to them. The basis would be the amount of capital invested by shareholders, the amount of trade done by the customers, and the capitalised value of the wages of the employes reckoned at the same rate as the dividends allowed to capital. This would be nearly perfect. Each class could elect its own representatives; the passengers would be the most difficult to arrange, but it could be got over. The proportions on the London and North-Western Railway would be as follows:—

| | |
|------------------------|-----------------------------------|
| Shareholders | $\frac{11}{16}$ th of management. |
| Employés | $\frac{4}{16}$ th " " |
| Customers | $\frac{1}{16}$ th " " |

There is great difficulty in establishing co-operative productive associations, owing to the prejudice that exists against them. Mr. Broadhurst at the Oxford Co-operative Congress in 1882, told how he and some others started a masons' association, which came to grief solely because architects would not give it a chance of competing for business. Still there is a deal of co-operative production successfully conducted in the country, and it is likely to increase rapidly. *Working-men Co-operators* (page 102) gives the facts as follows:—

| | Capital employed | Annual production | Number of employés |
|---|------------------|-------------------|--------------------|
| | £ | £ | |
| Co-operative wholesale societies' works | 60,000 | 180,000 | 1,200 |
| Co-operative corn mills | 500,000 | 1,800,000 | 300 |
| Other productive associations | 120,000 | 200,000 | 800 |
| Domestic productions (such as shoemaking and tailoring) by co-operative societies | 120,000 | 900,000 | 4,000 |
| Totals | £800,000 | £3,080,000 | 6,300 |

Trades unions have a means of helping forward co-operative production which no other body of working men has. Every union has a certain number of men on donation, whose weekly drawings form a serious drain on the funds. Taking the Ironfounders, who number

12,000 members, a levy of 2s. per member would produce 1,200*l*. This sum would start a small stove and fire-grate factory. Men on donation could be invited to work at this factory until they could get regular employment elsewhere, on condition of being paid half wages in cash, and to take a share of the profits in lieu of the remainder. The Labourers' union could be invited to supply labourers on the same terms. The produce would be sold at the best obtainable prices, and the men would have a powerful lever to effect a successful result, since they could overcome prejudice by appealing to the cupidity of the purchasers through selling cheaply in case of need. They could do this if needed with impunity, because of their peculiar mode of paying wages and their relations to the union. No long time would elapse before fair working profits could be made. The process could be repeated by making fresh levies, as well as by using the union's share of the profits, including the saved donations. There is no reason why the example of Oldham cannot be followed in many trades. It only needs the application of similar intelligence, energy, and perseverance.

There are economists who think that the best men generally succeed in getting the best positions. The wish is evidently father to the thought, but while I am convinced that such a state of things would be equally beneficial to all the nation, I am equally convinced that it rarely happens in actual life. It does not depend so much on a man's talent and capacity as on circumstances, whether he is a humble labourer at low wages with long hours, or occupies a superior position with short hours and high remuneration. Some of the cleverest men I have known have been in receipt of low wages for hard work; and some of the silliest men I have known have been in comfortable positions with short hours, easy work, and handsome remuneration. The common practice is for employers to put sons, nephews, and other relatives into superior positions regardless of their abilities; and when these employers retire, if they have no relatives to take the business they sell it to the highest bidder, regardless of his capacity to keep the concern successful, and usually regardless of the fate of their workpeople. If co-operative associations did nothing beyond affording all talent a chance of rising to the top it would be worth adopting, and the economic advantage of having the best men in superior positions must, in a state of free trade, ultimately elbow private trade, with its system of favouritism, out of existence. The tendency of the times is in favour of everybody interested in a business having a share in its management and benefiting from its success. Co-operators only differ from multitudes of other people in formally acknowledging the existence of this tendency, and in

earnestly advocating it, instead of silently drifting with the tide of public opinion in its favour.

NOTE 8. PAGE 103.

Interest on capital can be reduced almost to zero.

There is a favourite axiom among wealthy people that capital is cosmopolitan ; it has wings, and can fly from one country to another. This is partially true. If the idea of the value of capital being so very reduced causes alarm, and induces people to say they will invest their money abroad, there is no objection to their doing so. It may in fact be absolutely necessary for them to take this step, unless they are willing to work as well as invest capital. The working classes can very well do without outside capital, if they will only save their own. Wealthy people will, however, prefer to live in England even if all their capital is invested abroad, because with a practice of universal equity, and the general possession by its people of some wealth and great comfort, it will be the safest and pleasantest country in the world in which to make a home. If they make England their home, their income must be remitted here ; and they will be only too glad to let bankers take care of it for nothing, or even pay them for doing so, rather than have it stored up in their own homes. It would not take very many years for working people to acquire all the capital they need without the necessity of saving any of their wages, if they will adopt the simple device originated by the early co-operators, of keeping their own shop and accumulating the profits. Estimating their expenditure on food, fuel, and clothing at three hundred millions a year, the application of co-operation would save, at a minimum estimate, twenty-four millions a year. This sum steadily accumulated at 5 per cent. compound interest would amount in forty years to 3,360,000,000*l.* The salvation of the working classes is in their own hands. By using their savings in purchasing railway shares and company shares of all kinds, giving preference to those in which they may be concerned as employés, they could use their power as shareholders to improve their positions as workers, and to secure a full share in all the emoluments arising from the undertaking. At present they invest largely in savings' banks at a small rate of interest, and throw away all the power the possession of this money would give them if they knew how to use it. Their eyes want opening, and their ears unstopping.

NOTE 9. PAGE 103.

Monopolies can only be restricted or abolished by working people taking their full share in the government of the country.

To obtain full benefit, working people must not only fully share in imperial government, but in local government, and in all organisations for the public good. A glance at the progress of public opinion, as shown in the following extracts, will satisfy most people that the time is not far distant when this state of things will be brought about:—

‘Large masses of men, acting in obedience to the word of command, may, perhaps, not always be instructed to abstain from violence. Some of the agitators of the trades unions have already threatened to reproduce the procession of 1780 to the Houses of Parliament, if they can induce Mr. Bright, like Lord George Gordon, to receive their petition at the door of the House of Commons.’—*Times Summary*, 1866.

‘Notwithstanding the progress of democracy, Englishmen are not yet prepared to be governed by the vicious agency of political clubs.’—*Times Summary*, 1867.

‘The personal character and social position of the members of the reformed House of Commons have reassured, and perhaps permanently reassured, many anxious politicians. There are as many rich men and men of family as in any former Parliament; and candidates belonging to the working class, or affecting specially to represent it, were uniformly unsuccessful.’—*Times Summary*, 1868.

‘Unfortunately, their (agricultural labourers) deficient education exposes them to the temptation of revolutionary theories, and some of them readily accept the suggestion that they have a claim, not to larger wages or to better houses, but to a share in the land.’—*Times Summary*, 1872.

‘The advent of the democracy to power will, we believe, be marked by a more just, more generous, and more far-seeing policy towards our kin beyond the sea than is embodied in the recent actions of the Colonial Office. Nor are we less hopeful that in our relations with other nations the English democracy will be found more straightforward in its actions, more ready to define its wants, more tenacious of its own dignity, and more mindful of the just claims of others than this country has recently shown itself.’—*Times Leader*, Jan. 1, 1885.

The working classes cannot be properly represented in Parliament until provision is made, either by voluntary or legislative action, to maintain the representatives while serving their terms of office. The

wealthy classes have hitherto uniformly resisted proposals to pay members of Parliament. Non-payment means in some cases indirect and excessive payment. It also means the preservation to the wealthy classes of the monopoly of legislative and administrative functions; and this involves a certainty of class interests being more or less unfairly served. Besides, however much members of the upper classes may sympathise with, and desire to help, the working classes, they cannot do so effectively without actively associating on an equal footing with members of the working classes, who 'have gone thro' the grinding of the mill,' and know all its good and bad characteristics. The exigencies of party warfare, which have done so much for the working classes in the past, are likely to continue to serve them in the future. The time is not far distant when this point will be conceded. A strong symptom is the publication by the *Times*, on November 28, 1884, of a list of the countries that pay their legislators. This list is worthy giving.

| | | | | |
|----------------------------|---------|----|---|---|
| Argentine Confederation | £700 | 0 | 0 | per year. |
| Belgium | 16 | 16 | 0 | per month during session. |
| Brazil, Senators | 360 | 0 | 0 | for the session. |
| „ Deputies | 240 | 0 | 0 | „ and travelling expenses. |
| Canada | \$1,000 | | | for any session extending over 30 days, and ten cents per mile for travelling expenses. |
| France | £450 | 0 | 0 | per year. |
| Holland | 166 | 0 | 0 | per year and travelling expenses. |
| Mexico | \$2,000 | | | per year. |
| Norway | 0 | 13 | 4 | per day and travelling expenses. |
| Portugal | 0 | 10 | 0 | per day. |
| United States | £1,000 | 0 | 0 | per year and travelling expenses. |

The question of vested interests is a vexed one. Yet working people must study it carefully so as to avoid committing injustice. It is easy to comprehend the principle that it is unwise to remedy one injustice by committing another of equal or greater proportions. This would be granted and acted upon. But it is not so easy to define other points connected with this subject. For instance, if a person or body of persons obtain from Parliament a monopoly on certain terms, and subsequently discover they have made a bad

bargain, they come to Parliament again, and ask it to amend the grant. This is usually acceded to. But if the parties have made an exceptionally good bargain at the expense of the public, and the public wish for it to be made more equitable, there is at once raised a cry of spoliation. Such questions require fully discussing. Working people will not knowingly commit injustice, but they will insist upon themselves having justice.

There are other ways of making monopolies less profitable, such as by taking advantage of scientific inventions and not conceding any further legal protection to the monopolists. The improved steam transit with foreign countries, the frozen meat process, the projected Dutch enterprise for building special milk-carrying steamers to supply the London markets, have all tended, or are tending, to destroy a great portion of the value of the land monopoly in England. Care only has to be exercised that the landlords, under the pretence of seeking the public good, do not raise up barriers to the free exercise of these means, and so once more improve the value of their special privileges. It would pay landlords to periodically cause the importation of diseased cattle or infected milk and butter, so as to induce the public to consent to the prohibiting or restricting of their import. Of course landlords are too honourable to indulge in such practices, but the fact that it would pay is somewhat curious, and ought not to be lost sight of.

Perhaps the best and surest way with monopolies is to extinguish them by a gradual process, so as to inflict as little suffering as possible. This cannot always be done; and there is to be guarded against the possibility of other monopolies and privileges of an obnoxious character growing up unobserved as fast as the older ones are extinguished.

NOTE 10. PAGE 268.

Higher cultivation of land.

It is worth noting here, that while the land is starved for capital owing to absurd restrictions and the maintenance of inequitable privileges, there are some landlords going about the country trying to persuade working-men that a tax on corn would improve the demand for labour and raise wages. It would certainly raise rents. If these men would attract capital to the land, the demand for labour would be quickly stimulated, and even the landlords would gain by it.

NOTE 11. PAGE 269.

The progress of invention is likely to continue adding to the comforts and enjoyments of life.

If a good case can ever be made out in favour of monopolies, it is when it will enable a man to reap the fruits of a beneficial invention which may have cost him great toil, thought, and money. Yet it is in these cases that we have men of social position declaring that it is not right to grant even temporary monopolies to inventors. As it is, this class of men rarely get their just reward. If their inventions are of value, there are usually some men with money who basely try to rob the inventors of their profits, by either making up a close imitation, or by disputing the validity of the patent. In both cases, unless the inventor has money, or can get a moneyed man to back him up, he goes to the wall; and if he fights and wins, he still loses largely by the battle. Perhaps the only ways out of this system of social robbery are the formation of a co-operative association for the protection of inventions, and a greater respect for justice among all classes. The existence of an association ready and able to defend its members, would deter many men who would otherwise eagerly pounce on a defenceless weak individual.

When all the people receive technical instruction and receive the full benefits of their skill and industry, the progress of invention must necessarily be stimulated, since so many more people will be on the look-out than in our present dormant state. The greater the progress of invention, and the greater will be the possibilities of increased well-being for the people.

NOTE 12. PAGE 269.

Supplying their wants through co-operative stores.

This has been alluded to in note 8. The actual amount of working class co-operative store-keeping is stated by *Working Men Co-operators*, pages 30, 78-83, to be as follows at the end of the year 1882 :—

| | |
|--------------------------------------|-------------|
| Number of retail societies | 1,200 |
| Number of members | 640,000 |
| Share and loan capital | £8,000,000 |
| Annual sales | £25,500,000 |
| Annual profits | £2,100,000 |

There are also stated to be two co-operative wholesale societies formed of the retail societies, consisting of 490,403 individual members. Their united position was as follows at the end of 1883 :—

| | £ |
|------------------------|-----------|
| Capital | 874,236 |
| Reserve Fund | 62,288 |
| Annual Sales | 5,749,887 |

They have three boot and shoe works, one soap works, one biscuit and sweet works, one pig-killing and ham-curing factory, and six steamships. They have their own places of business, in addition to the above enumerated workshops, in seven places in England, three in Scotland, seven in Ireland, one in France, one in Germany, one in Denmark, and one in America. The two concerns were originated and are managed by working men.

The profit intercepted by co-operators, and which would otherwise go to private firms, is included in the estimate of increased income. But there are additional savings over and above these, which make a further gain to the workman co-operator. These are greater efficiency in management, resulting in increased profits; and greater freedom from loss by adulteration and other forms of cheating. The expenses of management in both retail and wholesale co-operative stores is notoriously much below similar expenses in private firms, and is principally caused by co-operators having their customers ready to their hands, while competitive traders have to hunt up customers and fight for them against other traders. The average expenses of retail stores will be fully one-third less than the average expenses of private shopkeepers, while the expenses of the two wholesale societies are not half the amount of private wholesale firms in proportion to the business done. It is also to the credit of co-operators, and part of the benefits of co-operation, that they were the pioneers of shorter hours for shopmen, and were the first to give a weekly half-holiday to them.

The following extracts from the Local Government Board's Report for 1883-4 (pp. cx. and cxi.) will give some idea of the prevalence of adulteration, and the consequent value of co-operation as a safeguard :—

| | |
|---------------------------------------|--------|
| Samples analysed in 1883 | 19,648 |
| Samples found adulterated | 2,955 |
| Percentage of adulterations | 15·04 |

The Report says :—‘ On a former occasion we gave the grounds for a calculation that Londoners pay between 70,000*l.* and 80,000*l.* a year for water sold under the name of milk, and we are inclined to think that the estimate was by no means excessive. We find that the public analyst for Plumstead calculates that in that single district

the milkmen receive between 7,000*l.* and 8,000*l.* for water, while the fines for adulteration imposed on them collectively amounts to about 100*l.* annually.'

NOTE 13. PAGE 269.

Imprudent marriages and large families.

False modesty ought not to be allowed to prevent a thorough investigation into these two important questions. Real wisdom consists in acquiring an accurate perception of the truth, and then acting upon it. No one ought to be shocked at human beings using the reasoning powers they are blessed with, rather than continuing to act as if they possessed no more reason than wild beasts. It is all the more ridiculous to do so, as human beings are in the daily habit of regulating with the most scientific precision the increase in the population of pigs, sheep, horses, and cattle. The late Joseph Kay, in *Free Trade in Land*, p. 178, says: 'A poor man in Germany, Holland, France, and Switzerland is, from his education, intelligent enough to be able to calculate his chances. He knows, when he begins his life, that if he defers his marriage for some years, he will be able to save, and to acquire land.'

'The consequence is, that the poor of these countries do not marry nearly so early in life as the English poor, and do not rear such large families.'

The whole question ought to be thoroughly discussed in a becoming spirit, in both its physiological, social, and economic aspects. If there were no choice between improvident marriages with large families and the glaring immorality which is so prevalent in our large cities, and which seems to be the machinery by which the young men of our well-to-do classes avoid too early marriages, I should prefer to see things left as they are, as the lesser of two evils. But I am convinced there is more than one way out of the difficulty; and ways which need not shock any unprejudiced and impartial mind. Early marriages—say twenty-three or twenty-four for the man, and twenty-one to twenty-three for the woman—with small families, seem to me the most likely to be productive of happiness. There is a double advantage: in taking away the temptation to immorality on the one hand; and, on the other, by seeing one's children settled in life before old age will have made one anxious about their future welfare.

NOTE 14. PAGE 270.

Improved dwellings.

An investigation of the balance-sheet of the Waterlow Dwellings Company early last year, brought out this result : that by borrowing half the required capital from the Government at $3\frac{1}{2}$ per cent. per annum, and obtaining the remainder from the public at 5 per cent. per annum, working people could be supplied with dwellings of ' Waterlow ' quality and at ' Waterlow ' charges, and at the end of twenty-five years they could be conveyed to the tenants as their sole property free of incumbrance. The profits over and above the interest payable on the capital were sufficient to pay off the capital in the twenty-five years. Similar or even better results would follow in most towns and cities.

On the basis of the above facts, a suggestion has been made for the formation of companies for the express purpose of turning working-class people into the owners of their own dwellings, without any further payments than their ordinary rents. An additional idea was appended, viz., that instead of conveying the freehold of a distinct dwelling, each tenant should take stock certificates in the Company to the value of a dwelling, which would authorise the holder to either occupy or draw interest at his option. This suggestion was stated by a solicitor to be ' a capital device for doing away with the heavy legal charges incurred in the transfer of real or leasehold property.' It has a further advantage of enabling a man to change his residence without feeling tied down by the possession of a freehold in an inconvenient locality. Here is a wonderfully wide field open to wealthy philanthropists, if they care to work in it.

NOTE 15. PAGE 270.

Cost of excessive drinking must be regarded as inefficient expenditure.

While this is strictly true of the individual, it must not be overlooked, that the State derives a large portion of its revenue from the taxation of drink. This would have to be made up from other sources ; and so far as these fresh sources affected the working classes, the amount thus paid for taxes must be deducted from the total saving by the cessation of excessive drinking.

NOTE 16. PAGE 271.

A higher standard of providence must be set up.

In Note 14 it is shown how easily, by means of co-operation, a man can become the owner of his own dwelling ; and in Note 8 it is shown how easily, by co-operating for the supply of his food, fuel,

furniture, and clothing, he can become possessed of large amounts of capital, without saving anything from his weekly wages. The standard set up is not at all too high to be reached in the lifetime of a fairly prosperous working man; and therefore it ought not to take long to raise the mass of the nation up to the standard. It must also be borne in mind that the task is much easier for the second generation, because they have their fathers' accumulations to help them.

While I have a great respect for the precept, 'Honour thy father and thy mother,' I think the duties of parents to children are much greater than are the duties of children to parents. Children are not consulted before they are brought into the world, so a sense of justice demands that every effort shall be made to render their existence enjoyable. To train them well, and to equip them with all the tools necessary to gain a sufficient income for this purpose, is the least that can be done in fulfilment of a parent's duty.

NOTE 17. PAGE 271.

Associated homes.

It is worth while expressing one's opinion in favour of these institutions, even at the expense of being taken for a visionary. Every man knows the immense benefit that has resulted from division of labour. The home has not been free from direct invasion. Cotton and wool used to be spun and woven at home; now it is not. Stockings used to be almost universally knitted at home; now the practice in England is rare. Most articles of underclothing used to be made at home, the practice is becoming less frequent, owing to the invention of sewing machines. The home has also been invaded by labour-saving machinery, such as these sewing machines and wringing machines. The fact of so many changes having occurred in domestic life, impels one to ask, Why should there not be others? The work of women would be made much lighter by division of labour. In an associated home, one could cook, another could nurse, a third could act as chamber-maid, a fourth could be the waitress, and so on. Those who wished to do nothing, and could afford the luxury, could pay their poorer or more energetic sisters to do the work for them.

NOTE 18. PAGE 272.

Opening museums, libraries, &c., on Sundays.

The *Norwood Review* of December 13, 1884, says that the Upper Norwood Baptist Chapel authorities have determined to open their school during service hours on Sunday evenings for the free use of

those who may not care to go to church or chapel. In the school, books, magazines, and instrumental music are provided. This is a fair proof of the increasing liberality of opinion on this question.

NOTE 19. PAGE 272.

Love of the beautiful.

The idea of Mr. Ruskin and others of keeping scenes of natural beauty for the sole enjoyment of the wealthy few, or of the small number of local poor, will not help him in his cherished object of spreading a love of the beautiful among the people. In his objection to the construction of railways in picturesque localities, he overlooks the fact that they sometimes do look beautiful, and actually improve the landscape. There is an instance close to his old home, in the viaduct crossing Dulwich on the line from Peckham to Streatham. Instead of preventing the erection of railways, he would be much more useful, and receive much more support, if he insisted on them being constructed with a regard to appearances. Town working people have few chances of seeing beautiful things, only when they leave their homes and take a railway journey. The habit of railway travelling for pleasure is rapidly increasing among them. To me, with my town-bred notions, the sight of a train gliding rapidly along, now in a straight line, now in a graceful curve, with the steam curling slowly along in fantastic shapes, or perhaps being blown fiercely away, has far more of the beautiful in it, than the sight of a herd of cows trooping along a country lane, and making the way impassable to foot passengers by the filth they leave behind them. Perhaps similar associations are at work in both cases. The imagination of the town-dweller is stimulated by the actual power visible in a railway train, to dream of man's strength and the possibility of unnumbered pleasures being derived from future discoveries; while the sight of the cows may stimulate the countryman to dream of fields of golden corn, of overflowing harvests, punctual rent payers, and an enlarged bank balance.

We want in our poorer districts more men of the stamp of the Rev. S. A. Barnett, of Whitechapel, who in ministering with his devoted band of assistants to the well-being of the people, feels he is helping to do this by giving them opportunities of seeing and appreciating what is beautiful.

NOTE 20. PAGE 273.

Thrusting up the residuum.

I consider this is done unduly, by trying to provide this class of people with lodgings at less than the market price, and by systematically

supplying them with food at less than cost, while steady, persevering working people have to put up with worse food and worse lodgings at current prices. This is being done at the east-end of London, and probably elsewhere. Its tendency must be to make these people more satisfied with their half-vagabond life.

NOTE 21. PAGE 274.

Technical schools.

Mr. John Slagg, M.P., in an article on Technical Instruction in the *Wholesale Society's Annual* for 1885, says :—

' One of the most staunch and able advocates of a national system of technical instruction and apprenticeship schools, on the German and Swiss plans, was the late Mr. Scott-Russell. In his work entitled *Systematic Technical Education* he attempted to estimate what would be required. He assumed that in 1869 (fifteen years ago), we needed at once 1,750 schools with 600,000 scholars and 10,500 teachers, and he assures us that "when the State shall have founded in England one great technical university with 100 chairs, fifteen local technical colleges with twenty-five professors to each, and 300 science and trade schools with from five to twenty-five teachers in each, it will have provided only for the teaching of 250,000, or one quarter of a million out of ten million and a quarter of the youth wanting knowledge and skill." He further states that "to do this limited work well one million per annum is necessary, or 4*l.* per head per annum from Government, in addition to local aid." He tells us elsewhere that the schools would be attended by youths from thirteen to fifteen, the colleges by those from sixteen to eighteen, and the university by those who had completed their college education at eighteen. Mr. Scott-Russell's estimate of the annual cost of the State university is 195,000*l.*, obtained as follows :—

| | |
|--|-----------------|
| | £ |
| Annual grant from the Government | 150,000 |
| Annual vote from the City | 15,000 |
| Students' fees | 25,000 |
| Endowments | 5,000 |
| Total | <u>£195,000</u> |

For each of the technical colleges he assumes that 20,000*l.* will be required annually from Government, making 300,000*l.* ; half a million will suffice for 20 first-class schools at 5,000*l.* each ; 100 second-class schools costing 2,000*l.* a year each ; and 180 third-class schools involving an annual Government outlay of 1,200*l.* each ; the balance of 50,000*l.* will be required for museums, libraries, &c. The buildings,

he tells us, should be provided by the town, and "100,000*l.* is the least sum that can adequately fulfil the purpose (of erecting a college) for a populous, industrious, wealthy town. In like manner for the schools 5,000*l.* is the least sum that can be expended," or say 4,500,000*l.* in buildings, and 150,000*l.* in annual cost. These figures are interesting as showing the probable expenditure we should have to face in creating a national system of technical instruction, commensurate in scale with what has been attempted by some of the minor German States or by a small canton in Switzerland. The outlay necessary to provide for the technical instruction of the country upon a truly liberal basis would, of course, be infinitely greater.'

NOTE 22. PAGE 274.

Culture.

The following is an extract from an article by Mr. R. D. Roberts, Assistant Secretary of the Cambridge University extension scheme, published in the *Wholesale Society's Annual* for 1885 :—

'If it were necessary or even desirable to divide life and the preparation for life into parts, it would perhaps be roughly accurate to call the preparation for bread-winning, technical education; and the preparation for the leisure of life, culture.

'Life, however, cannot be broken up into parts, wholly distinct and separate from one another. Success in bread-winning often depends largely upon other circumstances than mere technical knowledge. Not that technical knowledge is unimportant, it is indeed indispensable; but other circumstances also are of the highest importance.

'The mental acuteness and ability to take broad views, which come of definite mental training and wide knowledge; the incorruptible integrity and delight in honest work that come of the cultivation of the moral qualities; the sense of beauty of form and colour that artistic training gives; all these, and more, influence in subtle ways a man's working life.

'The need for something to give fulness and tone to life, although often overlaid, is never wholly absent.

'How to get the best possible out of the working and leisure moments, so as to feel that life is good and worth having—that is the real problem. Large numbers of working men feel this.

'In the glorious history of England, in her beautiful literature and the literature of other countries, in the wonderful results of science, there are materials for the fullest mental cultivation.

"Go with mean people," says Emerson, "and you think life is

mean. Then read Plutarch, and the world is a proud place, peopled with men of positive quality, with heroes and demigods standing around us who will not let us sleep." In the best books we may enjoy the company of the wisest, wittiest, and noblest men the world has seen.

'There are practical benefits that come of widespread knowledge which it is not always easy to specify or estimate. Some years ago, the coal miners of the country met in conference to consider a question affecting the interests of the coal trade. The bulk of the members of the conference advocated a certain course which was opposed by the Northumberland representatives. Eventually the view taken by the latter proved to be the sound one, and the singular circumstance that the Northumberland pitmen so generally took the accurate view of the case is attributed by them to the fact that a course of university lectures on political economy had been delivered at a number of pit villages to audiences numbering about 1,300 pitmen.

'For the successful carrying on of co-operative production, men of the widest knowledge and training are absolutely necessary, and there can be little doubt that the taking up of the question of education by co-operative societies will give vigour and stability to the co-operative movement.'

NOTE 23. PAGE 274.

The practice of equity needs teaching to all classes.

Working-men know this, in many instances, to their great sorrow. Employers of labour forget that they are simply parts of a great whole. They either ignore or do not know the beautiful teachings of S. Paul, which, for their edification I will briefly refer to :—

'But now are they many members, yet but one body. . . .'

'If the foot shall say, Because I am not the hand, I am not of the body. . . and if the ear shall say, Because I am not the eye, I am not of the body. . . are they therefore not of the body? If the whole body were an eye, where were the hearing? If the whole were hearing, where were the smelling . . . ?'

'And the eye cannot say unto the hand, I have no need of thee ; nor again, the head to the feet,—I have no need of you. Nay, much more those members of the body, which seem to be more feeble, are necessary. . . But God hath tempered the body together, having given more abundant honour to that part which lacked, that there should be no schism in the body ; but that the members should care for one another ' (1 Corinthians xii.).

The following rules exist among others in a large London firm, employing over 2,000 hands :—

‘Any employé found with matches in his possession will be instantly dismissed, no excuse being accepted.’

‘Any employé talking to a discharged employé will be instantly dismissed.’

These rules scarcely can be kept. Fancy a smoker wishing to enjoy a pipe on his way to work, or on his way home, not being allowed to carry a match. Where is the justice? Fancy a man being met in the street by a discharged employé, who stops him and says, ‘How do you do?’ He must look the other way, and pass without a word, although the two may have been intimate friends.

I lately engaged a young man who was dismissed under the second rule. Not being able to give credence to the stated cause of dismissal, the firm was written to as follows :—

‘London, December 1, 1884.

‘Mr. — has applied to us for a situation, and states that he was lately in your employ, but discharged for a breach in your rule, viz., “Talking to a discharged employé.” Will you kindly inform us if this was the only reason, and if you consider him in every other respect suitable for a position as —. Should this be the only reason we might give him employment.’

To this the following reply was received :—

‘London, December 2, 1884

‘In reply to your letter dated the 1st inst., I have to acquaint you that — was employed by this firm as a — in the — department from October 9, 1882, until October 25, 1884, when he was dismissed for the reason stated by him. He was found honest, sober, industrious, and a very good—’

Some of the brickmakers in Kent have to sign agreements at the beginning of every year which bind them not to work for any other firm or employer up to the ensuing September, but the firm does not bind itself to find the men work, neither does it give them a signed agreement. With very great difficulty I have obtained a copy of the agreement, which is appended. I have known of thoroughly good honest men emigrating rather than continue to sign this one-sided document. It is a pity there is no trades union to induce fair play on the part of the masters.

Copy of Agreement.—The said Labourer, in consideration of the payment of the wages mentioned in the Schedule below, doth hereby covenant, contract, and agree with the said Company to perform any of the works, and at the prices therein specified, and at such times as he may be required, and in accordance with the provisions of the

'Factory Acts,' between the above date and the Ninth day of September next.

And further that he will not work with or for any other person or persons whomsoever during the said term, without the consent (in writing) of the said Company; and shall and will make or do his part in such capacity as aforesaid in making as many bricks as can reasonably be made in the aforesaid season. The bricks are to be well made, subject to the inspection and approval of the Managers and Foremen; and also that he shall during the said term execute and perform all the orders and directions of the said Company, or their Managers, or Foremen; and protect the bricks and property of the said Company from damage in any way whatsoever.

And it is further agreed between the parties to this Agreement, that the said Company shall not be responsible for any delay or loss of time arising from accidents to machinery or other causes, more especially from any dispute, should any arise, between the said Company and any persons engaged in any part of the manufacture, not being work upon which the said Labourer may be engaged; and also that the said Company shall be at liberty to deduct all rent that may be due to the said Company for any house, premises, or land which the said Labourer may occupy as Tenant under the said Company.

Provided always that in the event of the said Labourer proving at any time to be incapacitated by illness, or incompetent to carry out and properly execute any work which he may be called upon to perform under this Agreement, that then it shall be lawful for the said Company to discharge the said Labourer forthwith, and thereupon this Agreement shall cease and be of no effect.

And it is also agreed that the said Company shall be at liberty to deduct all fines and costs incurred by any infringement of the Factory Acts; also a fine of Five Shillings whenever the said Labourer shall be found intoxicated during the hours of working; and likewise any money lent or advanced on account by the said Company to the said Labourer may be deducted by them at any time.

As Witness the hands of the said parties the day and year first above written.

SCHEDULE OF PRICES REFERRED TO IN THE ABOVE AGREEMENT.

| | £ | s. | d. |
|--|---|----|----|
| For moulding and making bricks, at per thousand (to be paid at the end of the season when the bricks are properly crowded) | | | |
| For steam mills (open hacks), at per thousand | | | |
| For steam mills (covered hacks), at per thousand | | | |
| For day labour, per day | 0 | 2 | 6 |

| | £ | s. | d. |
|--|---|----|----|
| (Time from 6 A.M. till half-past 5 P.M. Half-hour breakfast, 1 hour dinner.) | | | |
| For digging earth, 28 yards run, at per thousand | 0 | 0 | 7 |
| For „ each 30 yards run afterwards at per thousand | 0 | 0 | 2 |
| For burning and crowding bricks, at per thousand | | | |
| Sorting bricks, at per thousand | 0 | 0 | 8 |
| Turning (64 cubic feet to the thousand), at per 100,000 | 0 | 18 | 0 |
| Barge loading, at per thousand | | | |

The economic loss by neglecting to practice the principle of equity is glaringly shown in the case of railway companies. The amount of money spent in useless Parliamentary contests is well known. The still greater amount spent in annoying and hurting one another and the public is not known so generally. The following cutting from the *Times* of January 5, 1885, is very suggestive :—

‘A RAILWAY TRUCE.—The rivalry between the Great-Western and South-Western Railway Companies, occasioned by the many competitive points at which their lines meet, has ended. Both companies have issued circulars to their respective staffs instructing them to do all in their power to assist in each other’s business. This now happy state of affairs has been induced by the great outlay to which these companies’ shareholders have been subjected in consequence of opposing each other’s private Bills.’

NOTE 24. PAGE 275.

Teaching the power of union.

Co-operators are hard at work trying to do this in a regular and systematic manner. Among the leaders there is a unanimous feeling that it is absolutely necessary, and no stone will be left unturned to diffuse a general knowledge of ‘Complete Co-operation.’

Mr. A. H. D. Acland, in an article on Education of Co-operators in the *Wholesale Society’s Annual* for 1885, says :—

‘Co-operators have a great advantage. Each society is independent, belongs to a definite town or village, and the members know one another, at least to some extent. What is done for education is easily utilised by any or all of the members. At any rate, co-operators have taken advantage of the comparative ease with which they can deal with their funds to spend money on education, and they have done this with the feeling that without co-operative education co-operative progress of the best kind was improbable, if not impossible.

‘It is to be hoped that this feeling of the immense importance of education for those members of co-operative societies who wish to lift the societies on to a higher level, and to utilise all their members’

savings instead of refusing them and throwing them back, is a growing one. The business capacity, the energy, and the tact requisite for the co-operative leaders of the future will not come without a very solid addition to that education which finishes with the sixth standard in the national school, or at the age of fifteen or sixteen in one of our secondary schools. There is an education wanted for our young adults—a development of their intelligence is required, and in this work co-operative societies may take a most important part. Besides what may be called the business point of view, namely, that which considers how the interest of each society may be forwarded, there is another more general point of view which many co-operators will not neglect. Just as in many a village or town, by doing away with debt and encouraging thrift, the co-operative society has raised the physical and moral condition of hundreds of people, so it may do a great deal more for its neighbourhood, at a most trifling cost to each individual member, by promoting educational work. Hardly any thoughtful co-operator will deny this. The difficulty is how to show this to members, and how to settle what is really the best kind of education for adults at which to aim.

‘Hitherto the money granted by societies has been chiefly spent on libraries, news-rooms, and popular lectures. In proportion as these facilities, in which co-operators have often led the way, are granted conveniently and easily for all members by the municipalities, as they ought to be and will be in time in all our great towns, societies ought to turn their attention from what is being done for them out of the rates which they are paying, and ought to lead the way in some other direction. It is no good trying to keep up a rivalry with what the citizens, as a body, can provide, and ought to provide. It is generally becoming clear to those co-operative leaders who really have grasped the importance of education (for there are some who care very little about it), that co-operators have a special work to do in training their own members, first in the more special principles of their own movement, and then in the more general principles which grow to some extent out of these, and may be considered to be concerned with the life of an ordinary English citizen.

‘The education of co-operators and the education of good citizens, then, the one leading into or out of the other—these are the special objects to be aimed at. But people will say, ‘Where there is a will there’s a way. If a young fellow wants to educate himself as he grows into middle life, he can do it; there are plenty of books about. Why should societies trouble about it?’ This is a profoundly untrue doctrine. If a young man’s progress be carefully watched, how little makes the difference as to the direction in which he is trained. Good

lectures, sound advice, the contact with a capable and sympathetic guide, may be of infinite value to a young man, to give him the start in the right direction. The Board Schools are preparing the ground. Co-operative societies may sow much good seed in this ground if they choose.

‘The great object of the co-operative movement is to make working people happier and more comfortable, and to give them more time and opportunity to think about their lives and duties as citizens of our great and important country. To be free from debt, to have some money saved, to be encouraged to self-education of every kind, to learn habits of forethought, to help our social progress, are steps in the right direction. For ordinary practical people this one thing is at least important—to educate the citizens, the voters, to a higher level of intelligence, to a greater sense of responsibility, to a fuller knowledge of what opinions they really hold, whether those opinions are sound, and why they hold them.

‘One special point may be worth insisting on here. There are growing up in many of our great towns local colleges, or university colleges as they are sometimes called, which are specially meant for the education of the people, which aim at making better workmen and better citizens. There are also many boards of trustees or governors, which are being remodelled from time to time, that have the management of sums of money which are intended for the education of the working classes. The boards of management of these local colleges or trusts will never carry out their work in the most effective way till they admit as an essential part of their body genuine, recognised, and trusted representatives of the working people themselves, that is to say, representative working-men elected by trades unions, friendly societies, trade councils, co-operative societies and the like. Such men, trusted by their own fellows and accustomed constantly to be with them and to address them, would do something by suggestions of what was desired by working people, but would do a great deal more by getting into close friendly relations with other governors, with professors and teachers, and would then return to their fellow working-men who knew them, and carry far more weight than anyone else could in recommending the work to their serious attention.’

NOTE 25. PAGE 275.

These subjects ought to be included in our national system of education.

The principal objection that will rise to the lips of an ordinary middle-class man will be, ‘We do too much already for the children

of working-men; they already receive too much help from public money.' This has been so often said, and is so generally believed, that the Co-operative Wholesale Society thought it worth their while to have an investigation into the relative amounts of public money, including endowments, rates, and imperial grants devoted to the education of the children of the working classes, and to the children of the classes above them. The following is the result published in the *Wholesale Society's Annual* for 1885:—

The total amount spent on working-class education is equal to 15s. 4d. per head per annum for every child of school age. This includes cost of buildings, voluntary subscriptions, rates, and Government grants.

The total amount spent on the education of children of the other classes is equal to 3l. 3s. per annum per head of the children of school age.

The conclusion come to is, that 'the working classes can equitably demand the thorough education of their children, even though the expense to the nation is increased by fifteen millions a year, without being justly subjected to the reproach of receiving more than their fair share of the nation's money.'

Profit-Sharing and Co-operative Production.

BY EDWARD W. GREENING, of the Labour Association.

PUBLIC opinion has recently been attracted to all questions relating to the improvement of the working classes, and the belief that a change in the present system of employment is necessary is rapidly spreading among all students of social questions.

Some time ago political economists believed that if freedom of action for the individual and freedom of international trade were thoroughly established, other social evils would cure themselves, or be cured through the effect of unrestricted competition in arousing the energy of every one. This theory is found to be fallacious, and unrestricted competition is acknowledged to produce many evils, social and commercial.

In this paper it is proposed to discuss these evils and the

attempts made to remedy them, and also to point out, as far as possible, where these effects have succeeded and where failed. One of the first effects of competition on the manufacturer is to produce in him a desire to manufacture goods at a lower cost than his rivals, in order to undersell them, and thus secure to himself as large a share of trade as possible. The lowering of the cost of production becomes in this way so important that almost every other consideration is sacrificed to it. This fierce competition reduces the prices of all manufactured articles, and to meet these reductions employers of labour have lowered the rate of wages wherever possible, and would have done so further had not the workers refused to submit. Instead of carrying out the doctrines of the free traders and competing against one another in the labour market, a large portion of the workers had formed themselves into trades unions for maintaining the rate of wages. These unions are combinations of men, who agree among themselves not to work under a certain amount. Although formed regardless of the principles of the Manchester school of economists, and almost unanimously condemned by them, these unions have become strong, wealthy, and in most cases are quite able to hold their ground. No one will deny that they have been instrumental in keeping up wages during a period when the prices of nearly all commodities have been steadily going down. The manufacturers having thus been prevented by the unions from reducing wages, have had to find other means of lowering the cost of production. This they have succeeded in doing by the meritorious process of offering large rewards to the inventors of labour-saving appliances, and also, it must be acknowledged with regret, by sometimes lowering the standard of quality in manufactures by adulteration and other frauds on the purchasers. Trades unions are for the most part fighting organisations, saving the workers from the crush of modern competition. After all, they are but a temporary remedy for one of the many evils of our present system of production.

A number of intelligent manufacturers have felt that, apart from any philanthropic considerations, to merely pay men a weekly wage is not the best way of inducing them to give their

heads and hearts to their work. This feeling has led to the adoption, by some, of the principle of profit-sharing, by which the employer undertakes to pay the workpeople a share of the profits of the workshop, beyond their wages. In many cases the workers' share of the profit is capitalised, so as to provide a fund for old age, sickness, and death. Mr. Sedley Taylor, in his work on profit-sharing, gives instances of the success of this system. The results prove it to be based on sound commercial principles. Several manufacturers working on this system have found their portion of the profits has been larger than the whole was previous to arranging to share with the workpeople. This increase of profit is clearly due to the fact of the workers having a direct interest in the results of their industry. Profit-sharing also effects a large saving in cost of supervision. The provident workman will see that his careless fellow-worker does his best to economise time and materials. Many of the firms which have adopted this system have risen to the first rank in their trade, and it has contributed largely to the material and moral welfare of the workers. Without doubt, therefore, profit-sharing is a step in the right direction, but the workshops based upon co-operative principles prove that much more can be effected by giving the worker a larger interest in success than a mere share in the profits. Profit-sharing, pure and simple, appeals chiefly to the instinct of self-preservation and to a desire for material improvement. It is far from being the highest instinct to which an appeal can be made. A sense of responsibility is created by the ownership of property, and a natural pride is excited if the possibility of a share in their workshops, or the tools and machinery with which they labour, and the management of the concern is opened up to them. It is sometimes stated that working-men have not sufficient capacity for conducting large commercial enterprises. This objection is met by the successful establishment and organisation of the Industrial Joint-Stock Mills at Oldham and elsewhere, by the success of the Industrial Co-operative Stores throughout the country, and more especially by the wonderful success of the few co-operative workshops in England and Scotland. To this paper are appended tables showing the

results of both these classes of workshops, owned and managed almost entirely by working-men. The establishment and development of co-operative workshops based upon the co-partnership of the workers is the most effectual way of elevating the working population and improving the quality of English manufactures. Any real co-operative system would provide all the following conditions, viz. :—

1. A reasonable limit to the charge for the use of capital.
2. After this charge has been met, the profit should be divided in a fixed proportion between the workers and the shareholders.
3. The share list should be open to all workers, who should also be compelled to invest at least a portion of their profits in the society, not only as a provision against sickness, old age, and death, but also to give them a permanent interest in the welfare of their society.
4. Every shareholding worker should have a voice in the election of the directorate and managers, and an opportunity of obtaining any of the highest positions in the society.

It is most important that the first dividend on capital should be limited to a fixed amount, as fluctuating dividends cause a constant rise and fall in the price of shares. At Oldham, where the dividends are declared solely on shares, speculative buying and selling obtains to a large extent among the industrial classes, and several of the public houses there are stock exchanges on a small scale. No one will desire to see working-men develop into gambling speculators. This rising and falling in the price of shares causes panics, during which many of the workers, through fear, improvidence, or misfortune, lose their shares, while their luckier neighbours increase their holdings. So extensively is this done that in the Oldham Mills not more than 2 per cent. of the shares of any one mill are now held by the workers in that mill. On the other hand, it is important that shareholders should receive a share of profit beyond their fixed dividend, bearing some agreed proportion to the profits divided among the workers. Without this provision the shareholders might become interested only by making their dividend safe by large reserves and other means.

After what has been said on profit-sharing, little need be urged in support of a large portion of the profits being divided among the workers according to the amount of wages they receive, and it should be remembered that, by paying a portion of this sum in shares, a provision is made for making every worker a shareholder in his workshop and interested in its results. By giving the workers a voice in the management of their factories a better article will be produced. Workmen take a pride in producing a good article. A speculative manufacturer produces to sell. Utility and beauty are quite secondary considerations with him.

In proof of the practicability of co-operative production there will be found in the appendix to this paper a list of societies based on the principle of labour association, with the tabulated results for the year 1883, as collected by the Central Co-operative Board. The result comes out thus:—

| | |
|---|----------|
| Share capital of the 15 societies | £ 71,521 |
| Profits in 1883 | 8,825 |
| Losses in 1883 | 134 |

The profits being rather over 12 per cent., after deducting the losses. The included societies embrace one large cotton mill, which, with a capital of 25,741*l.*, made a loss of 90*l.* Had it not been for this, the other 14 societies which recognise labour would have shown over 19 per cent. average profit on the share capitals they employ. If further proof were necessary, reference might be made to the success of co-operative workshops in France, which are generally on a much larger scale than in England.

It might have been expected that the working-men who founded these societies would have appropriated the largest portion of the profits for the benefit of the workers. Strange to say, this has not been so, and by far the larger portion of the profits of these workshops are given to the capitalists and to the consumers or purchasers of the goods. Generally speaking, a dividend of at least 7½ per cent. and upwards has to be made for the capitalists before the worker shares at all; and often the purchasers are given a bonus of as much in the pound on their purchases as the workers receive on their wages.

This system of giving a share of the profits to the customers, although undoubtedly based upon true co-operative principles, as it tends to lessen the antagonism between the buyer and seller, and to interest the customers in the success of the works, thus inducing them to give as large a portion of their trade as possible to the co-operative workshop, has certainly been carried too far in most of the productive co-operative societies; but in future a much larger proportion of the profits should be devoted to the workers, and less to the capitalist and the consumer. But that the working-men should have voluntarily erred in the direction of favouring capitalists and consumers is only another proof that they have a sufficient sense of the importance of fairly remunerating the owners of property to entitle them to be entrusted with an important part in the management of the industries of the country.

All who will carefully compare the position of the workers in a co-operative workshop with those employed with a private manufacturer will realise that the interests which labour association creates in the mind of the worker will cause him to study many questions which he would not otherwise care about. In fact, labour association is destined to exercise a great educational work among the industrial population, which must eventually raise them from the present thralldom of an existence on mere weekly wages into thinking citizens, who will feel they have a real interest in the welfare of the State.

APPENDIX.

NO. I.—OLDHAM JOINT-STOCK MILLS.

A recent return gives 71 mills, showing the following results:—

| | |
|---------------------------------------|-------------------|
| | £ |
| Paid on share capital | 2,976,556 |
| Loan and debenture capital | 1,915,636 |
| Mortgages | 610,735 |
| Reserve funds (less losses) | 45,853 |
| Total | <u>£5,548,780</u> |

| | |
|---|-----------|
| | £ |
| Average sales per annum | 5,464,430 |
| „ wages paid ditto | 651,448 |
| „ trade expenses | 1,300,188 |
| „ annual profit, being at the rate of about 9½ per cent. | 273,936 |

No. V.—SHOWING RESULTS OF WORK IN FIFTEEN CO-OPERATIVE WORKSHOPS DURING THE YEAR 1883.

| Name of Society | No. of Members | Sale Capital | Loan Capital | Reserve Fund | Sales | Net Profit | Profit how divided |
|--------------------------------|----------------|--------------|--------------|--------------|---------|---------------|--|
| Airedale Worsted Manufacturing | 161 | £ 2,026 | £ 527 | £ 250 | £ 6,449 | £ 571 | 7½ per cent. and 8½d. in the £ to capital, labour, and purchasers. |
| Coventry Watch Manufacturing | 96 | 1,006 | 56 | 279 | 3,537 | 260 | 1s. 7d. capital, 1s. 8d. labour, 10d. purchasers. |
| Co-operative Printing | 425 | 14,751 | 13,017 | 1,477 | 33,262 | 2,764 | 1s. 10½d. capital, 5½d. labour, 2½d. purchasers. |
| Dudley Nail Manufacturing Co. | 12 | 267 | 81 | 42 | 1,361 | Loss 20 | |
| Eccles Quilt Manufacturing Co. | 179 | 4,766 | 2,302 | 230 | 7,461 | 1,360 | 7½ per cent. and 6d. in the £ to capital, and 6d. labour. |
| Hebden Bridge Fustian | 432 | 16,499 | 2,150 | 946 | 21,272 | 1,980 | 7½ per cent. capital, 7½d. labour and purchasers. |
| Leek Silk Twist | 260 | 161 | 450 | 36 | 2,603 | 128 | |
| Leicester Elastic Web | 8 | 995 | 100 | | 4,875 | 254 | 5 per cent. capital. |
| Leicester Hosiery | 100 | 1,146 | 544 | 150 | 5,286 | 127 | 7½ per cent. capital, 1d. labour, 4d. purchasers. |
| Northampton Productive | 20 | 350 | 150 | 20 | 2,825 | 307 | 5 per cent. capital, 6s. 4d. labour. |
| Sabden (Cobden Mills) | 253 | 25,741 | 345 | | 53,558 | Loss 90 | |
| Sheepshed Hosiery | 49 | 60 | 105 | 3 | 141 | Loss 24 | |
| Sheffield Outlery | 79 | 137 | 189 | | 493 | 22 | |
| Dunfermline Manufacturing | 120 | 778 | 209 | 148 | 1,519 | 69 | 5 per cent. and 6d. in the £ to capital, labour, and purchasers. |
| Paisley Manufacturing | 244 | 2,838 | 4,999 | 202 | 17,029 | 983 | 4¾d. capital, 9½d. labour and purchasers. |
| | | 71,521 | 25,284 | 3,783 | 161,671 | 8,825 | |
| | | | | | | Less loss 134 | |

NO. II.—CO-OPERATIVE STORES.

Summary of Returns for 1883, made by the Co-operative Central Board.

| Number of Stores | Members (1883) | Share and Loan Capital | Reserve Funds | Sales (1883) | Net profit after allowing 5 per cent. interest on capital |
|------------------|----------------|------------------------|---------------|--------------|---|
| 1,211 | 648,994 | £8,416,914 | £291,638 | 26,289,722 | £2,247,431 |

NO. III.—CO-OPERATIVE CORN MILLS.

| Number of Members (1883) | Share and Loan Capital employed | Reserve Funds | Sales (1883) | Net Profit |
|--------------------------|---------------------------------|---------------|--------------|------------|
| 14,206 | £427,875 | £10,692 | 1,317,516 | 46,388 |

NO. IV.—CO-OPERATIVE WHOLESALE SOCIETIES' WORKSHOPS.

| Average Capital employed | Sales for 1883 | Net Profits for 1883 |
|--------------------------|----------------|----------------------|
| £47,769 | £145,294 | £2,628 |

Our Industrial System: Its Effects upon the Well-being of the Working Classes.

BY J. M. CHERRIE, of the Scottish Land Restoration League.

AN inquiry into the system by which the products of industry are distributed among the various persons and classes of the community, must be a matter of primary importance under any conditions of trade and commerce, but occurring as it does at present, when the country generally, and even the whole manufacturing and commercial world, are feeling the bitter effects of severe and prolonged depression of trade while the markets are glutted with commodities, it cannot fail to possess an intense and vital interest.

The pressure of our industrial system, by its increasing intensity upon the community, is thus apprising us in unmistak-

able language that the time is at hand when it shall become intolerable because of the inevitable suffering produced by it. To effect a just and peaceable solution of the difficulty, it is incumbent upon all who interest themselves in social and political affairs, to bring to bear as much enlightenment and impartiality as can be mustered, and to give expression to whatever views and conclusions truthful and earnest investigation may elicit, irrespective of the blow that may be inflicted upon conventional doctrines.

The volume of trade and commerce having expanded enormously during the past decade, and having become greatly restricted by comparison last year with preceding years, the collapse has aroused a spirit of investigation everywhere to endeavour to trace the cause, and, if possible, to devise a remedy against its recurrence.

In the course of the past twelve months, since the fall in values of industrial products began to manifest itself seriously, an unlimited amount of criticism and discussion has taken place upon the cause and cure of trade depression. Considering how little the question has been advanced by the great bulk of the published matter, it is not unreasonable to attribute the great diversity of opinions expressed, and the general failure of the critics to solve the problem, to the need of a wider diffusion of more exact knowledge of the sound principles which underlie the economics of industry, on which alone can the cause and cure of depression of trade be effectually determined.

In order to clearly understand why, under present conditions, increased facilities of production and distribution should produce glut, depression, and privation to multitudes of people, instead of increased wealth, leisure, and enjoyment, a brief investigation into the nature of commodities, and the manner in which industry is controlled and directed, is necessary. I may premise that the illustrations and arguments herein used to demonstrate the effects of our industrial system, and to remedy its defects, appeared in the columns of *The Iron and Coal Trades Review*, some months ago, in a correspondence on the Prospects of Trade, in which I participated.

The commodities in use for the promotion of the comfort

and happiness of mankind may be divided into two classes, called primary and secondary commodities. The first class comprises those absolutely indispensable to human existence, viz. food and drink; with raiment and shelter coming next in importance as necessaries. The second class embraces all other commodities, which are merely instruments for the production and distribution of the primary commodities. Consequently, if we regard a State as a Community, the primary and essential object to be accomplished by its members should be the sufficient production of the great prime commodity, food. Given food in abundance for all, the other secondary commodities can be easily produced in quantities commensurate with the requirements of the community; for, as real wealth consists of a surplus of the primary commodities, or the power to command a supply of them, no difficulty could ever be experienced by the possessor of food, to exchange his prime and absolutely indispensable commodity for those in the second class, which, however useful they may be as instruments, could, at a pinch, be done without. Food can therefore never be over-produced; for, as that constitutes the foundation of the wealth of the world, the more that exists, or that can be produced, the more comfort, enjoyment, and leisure should people experience. It is quite different, however, with the secondary commodities. Only a limited quantity of them is needed for the requirements of society. All excess of production of these is misdirected labour, and places the producer at a disadvantage when he wishes to exchange—as he must of necessity exchange—his commodity for food. It is precisely in the production of secondary commodities where industrial crises occur. If, instead of raising food, the prime essential of life, people are compelled by our industrial system to devote their energies to the production of secondary articles far in excess of the requirements of society, it is very evident that, as these articles cannot of themselves support life, nor be exchanged easily, if at all, for the prime commodities which do support life, those engaged in this misdirected labour must experience depression of trade, culminating in stagnation and starvation.

The extensive existing depression characteristic of most

branches of manufacturing industry, which is so keenly felt by both employers and workmen, is therefore due to the fact that the natural opportunities to produce the primary commodity, food, being denied by land monopoly to the great bulk of the people, the only remaining outlet for labour is the manufacture of secondary commodities. The consequence is that an enormous surplus of labour and capital is directed to the production of the goods belonging to the second class, such as, for example, iron, steel, coal, rails, ships, spades, sickles, ploughs, copper, tin, &c. A fierce and desperate competition to be first in the market is the inevitable result of this state of things. Profits and wages are forcibly reduced in the direction of a minimum, or to the vanishing point. No advancement of science or improvement in practice can avert the disastrous collapse of manufacturing industry, from which the community is now suffering, as paralysis is infallibly the end of the subsisting erroneous system. The condition of manufacturing industry is thus dependant entirely upon the wants of those who produce the prime commodity, food, or who command its supply. All manufactured products existing in excess of these wants represent misdirected labour, and create a tendency in the market towards dulness of trade, profits converted into losses, work into idleness, and low or no wages to workmen. Hence it is manifest that the food producers, or those who command the supply of food, are masters of the situation. A quarter of wheat is always a quarter of wheat in its ability to sustain life, but a secondary product which may at one time be exchanged for this measure of food, may at another be exchangeable only for less than half, or even unexchangeable altogether. When the last stage is reached, it is obvious that starvation is imminent. The production of the two classes of commodities is thus seen to bring about very dissimilar effects. On the one hand, an unlimited creation of food, with equal opportunities to all to participate in its production, places the community in a position of abundance, comfort, and ease; on the other, a plethora of articles which cannot be exchanged for food, reduces the community to a condition of destitution and misery.

The universal cry for increased demand, and for new or extended markets for commodities, arises from the false position of manufacturing industry which has just been explained. Actuated by the desperate straits to which trade has been driven, we attempt to coerce other nations into taking our goods whether they will or not. The material forces of the Government are not infrequently employed in such missions, regardless of the injustice thereby inflicted upon other peoples. But all such attempts to interfere with the operation of the economic laws underlying industrial affairs, cannot possibly avert the ultimate disaster inevitably attending the application of false principles, however, at a great sacrifice of wealth and honour, they may postpone its advent.

Increased demand is equivalent to increased consumption, but it is a mistake to believe, as is very commonly believed, that consumption is the cause of wealth. Quite the contrary, conservation of commodities is the cause of wealth. If the secondary commodities now existing could last for ever, and no more were required, the result would be a total cessation of all manufacturing industry. According to current opinions and conditions this would be regarded as an unspeakable calamity; this would be depression of trade with a vengeance! The toiling millions would no longer throng our ironworks, factories, shipyards, coalpits, and other scenes of industry; capitalists who cannot find employment for their money now would be joined by all manufacturing capitalists whatever. But the policy pursued by individuals is to prolong the life of industrial products, and save repairs or renewal. And rightly so; the national policy should be identical. Instead, therefore, of desiderating the wearing out or destruction of existing manufactured articles, or calling for opportunities to bestow labour upon the creation of new ones, sound policy requires rather that as little labour as possible be diverted in this direction, reserving the greatest proportion practicable for the raising of that which, in proportion to its abundance, increases the well-being of mankind.

In like manner it might be shown that if the existing supply of food could be assumed to suffice for all time, labour

could be dispensed with altogether. In such an eventuality those who now command its supply could monopolise it, and leave the rest of the human race to die of starvation. This inequality of positions points to the absolute necessity of reforming our system, in order that all shall enjoy equally the opportunities provided by nature to raise the means of subsistence.

It is now demonstrated beyond a doubt that the beneficiaries by the existing erroneous system of industry are,—(1) land-owners, mine-owners, and other owners of the raw material of nature, who exact rents and royalties before this raw material is allowed to be utilised for the benefit of the community; (2) capitalist manufacturers, who have been in a position to profit by the unnatural excessive competition created by the system existing among the masses of the people, since they can compel them to sell their labour at any rates of wages obtainable, as well as drive many out of the labour market altogether. Notwithstanding the enormous aggregate to which national wealth has attained, the two classes referred to have absorbed an excessive share of it—the amount of the share being in proportion to their power of appropriating it, and inversely as the extent of their labour in creating it. The advances in land values all over the kingdom, especially in towns and cities; the higher royalties demanded for working the minerals of the earth; the rents of fishings and shootings; the amount of money paid to landowners for ground required for railways, and canals, and other indispensable public purposes; the high price of agricultural produce affected by rent, and not so immediately affected by foreign imports; all testify that the power of appropriating the wealth created by the labour of the community lies in the possession of the raw material of nature, without which man could not exist. The alleged freedom of contract which landlords maintain determines the relations of landlord and tenant, and employer and employed, is a fallacy; it does not and cannot exist under present conditions.

To effect an adequately beneficial alteration in our industrial system, the revelation of the cause of our present difficul-

ties, indicates that the remedy to be applied must be such as will destroy this cause. The production of primary commodities must be fostered to such an extent as will cause a restriction in the production of secondary commodities to the limits of the requirements of society. The opposite course has hitherto been taken. Landlords have thrown land out of cultivation rather than accept less than the rents they desired. The people thus expelled from agriculture swelled the already congested towns, creating lower wages and higher rents. Multitudes of vacant spaces in towns are also allowed to lie idle for years, in the expectation that the necessities of the people will, by-and-by, compel the payment of the exorbitant prices or rents demanded. Why landholders have not been compelled by Government either to utilise properly the lands they hold, or give them up, can only find a response in the fact that landholders predominate in the Legislature, and that they regard land merely as an instrument of taxation against the labour of the people.

An impartial investigation into the economics of industry thus indicates pretty clearly what course ought to be taken to suppress the gigantic evils flowing from the existing conditions of industry. The plan to be adopted is very simple, and is one operated upon by the landlords themselves towards their tenants. In letting a mineral field, for example, the owner, besides stipulating for a lordship per ton on the output, establishes a fixed rent per annum. The object of the fixed rent is to compel the lessee to work the minerals; otherwise, the markets might at times not offer sufficient inducement to continue, and, without the fixed rent as a goad, the lessee could cease operations with impunity, just as a landholder himself does when rents are not to his mind.

The cure for industrial diseases is therefore a taxation one. The whole existing system of levying taxes for local and imperial purposes should be abolished as wrong in principle, and needlessly expensive in practice. It bears entirely upon the labour of the country, and the revenues from these taxes are manipulated by the non-producing classes for the use and benefit, to an enormous extent, of those who think their vested

interests entitle them to live upon these revenues. The most grievous burden, however, upon the labour of the community is the vast amount of money exacted by the 'landowners, mine-owners, and other owners of the raw material of nature, who exact rents and royalties' for granting the privilege of utilising the soil and its contents. The amount of such rents and royalties is computed to approach 300,000,000*l.* per annum, a sum, it will be admitted, large enough to produce a very prejudicial effect upon the public welfare. There is also to be taken into account as a loss to the nation, the lands allowed to lie waste, uncultivated, or not utilised, at the all-powerful caprice of owners of monopoly, and the loss of the produce of the labour of those who do nothing because they live upon the produce of the labour of others. By abolishing the present erroneous system of taxation, and substituting a direct tax upon land values, and upon all mineral lordships and other sources of royalties and lordships, the public burdens would be shifted from labour on to privilege, instead of bearing upon labour and exempting privilege. As land is the basis of human life, and the source of all wealth by the application of labour, it proves itself pre-eminently to be the sole standard of taxation by which to measure each individual's contribution to the common fund of the community. A tax upon current land values would, like the mineral lessor's fixed rent referred to, act as a preventive upon the 'dogs-in-the-manger,' who will not utilise land themselves nor allow others to use it.

But in order to determine and secure each individual's exact contribution to the State or community, the amount of the land tax would have to be 20*s.* per £ of the current annual value, as ascertained by open and fair competition—and no subletting permitted. After defraying the necessary expenses of local and imperial administration, the surplus, which would be large, would be available for the beneficial use of the community. Many institutions now depending upon the precarious support of subscriptions and voluntary contributions could be thoroughly established and equipped. The widow and the orphan; the infirm, through disease, accident, or infirmity; the poor and unfortunate, could all be adequately cared for,

and not allowed, as thousands of them are, to languish for years in privation and misery.

Friendly societies and other associations for benevolent objects, upon which working men depend for relief in distress—but which are found too often to be broken reeds—could then give place to a national system of insurance, relief, or superannuation, applicable to all persons—a system founded upon individual right and free from the taint of pauperism. Hitherto the non-producing classes and members of the aristocracy and officialdom generally have been provided from the State revenues with incomes, compensations, and pensions without feeling demoralised and pauperised; it does not appear at all clear then how the workers run any more risk of pauperism and demoralisation by receiving back part of their own earnings! By imposing the land tax proposed, landholders can still retain their lands, subject to the payment of the tax to the State; but as obviously land will thus be thrown open to all men on equal terms, monopoly will lose its baneful power, land will be cultivated to the fullest extent, more people will revert to agriculture, food supply will increase, land values will rise, but the whole increased surplus revenues will go back, in one form or another, to the creators of them—viz. the people. All the wealth that the land of our country can yield to labour will thus be available to the whole community, and no more can be expected. The change effected would be marvellously great and beneficial. Intensity of labour in the right direction would result in increased wealth and enjoyment—in marked contrast to its present fruits, poverty and misery. Depression in trade as now existing would be an impossibility; the worker would always receive the full reward of his labour; the monopoly of the landholder and the capitalist manufacturer being neutralised, the first by the tax of 20s. per £ on land values, the second by the absence of that death-and-life competition among the people to obtain the means of bare subsistence.

The appropriation of land values by means of the tax of 20s. per £ for the use and benefit of the entire community is the remedy proposed for the evils due to the existing system

of land tenure, and the consequent evils affecting our industrial system. Peasant proprietary is but an extension of landlordism, and would not ameliorate the condition of the great mass of the people who are not, and never can be, peasant proprietors. The scheme of the Government by which, under the Land Purchase Bill, public money is to be taken to buy up Irish landlords and substitute others, commits a grievous wrong upon the labouring interests of the country, while it extends and endeavours to perpetuate that system of landlordism which has for long been the curse, not only of Ireland, but of the whole of the United Kingdom. It has been truly characterised as a 'Landlord Relief Bill,' at the cost of the taxpayers.

In carrying into practical operation this reform in the incidence of taxation, the question arises as to how permanent improvements upon land are to be treated, such as houses, factories, fences, drains, &c.

The ruling principle is at once clear and simple. Determine the intrinsic value of these improvements, allow a fair percentage of interest on that value to the proprietor, and the surplus rent is the amount of tax payable to the State. For example, suppose a house, shop, or factory let at 100*l.* rent, and the intrinsic value of the structure is found to be 800*l.*; if 6 per cent. be allowed as a fair and reasonable return to the proprietor (and that is more than property holders aver they get) the rent to the owner would be 48*l.* free of taxes, and 52*l.* would be the land tax to the State. As already explained, this tax of 52*l.* would not be lost, as after bearing its share of the expenses of Government, the balance, in common with all other similar balances, would come back to the community for beneficial public uses.

Land monopoly, it is plain, has been and is now the chief factor in creating unjust inequalities among the people—in dividing them into oppressors and oppressed; into idle rich and toiling poor; into contented and discontented; into the supporters of existing unjust power and privilege, and those who would free themselves from class trammels. Classes are thus unavoidably set against each other so long as law is not synonymous with justice. Until law and justice are one,

society cannot be fused into one great class only, with interests and aims that do not conflict but harmonise.

We feel the day is breaking,
And see with inward ken,
A future rich with blessings
Dawn, for wiser, happier men.

APPENDIX.

TOTAL EXPORTS FROM THE UNITED KINGDOM.

| | £ |
|--------------------|------------------------------|
| 1883 | 305,437,070 |
| 1855 | 116,791,300 |
| Increase | 188,645,770 = 161½ per cent. |

TOTAL IMPORTS TO THE UNITED KINGDOM.

| | £ |
|--------------------|------------------------------|
| 1883 | 426,891,579 |
| 1855 | 143,542,850 |
| Increase | 283,348,729 = 197½ per cent. |

IMPORTS OF FOOD.

| | Tons |
|----------------|--|
| 1840 | 7,882,550 |
| 1855 | 12,623,232 |
| 1883 | 76,817,026 = 508½ per cent. over 1855. |

PRODUCTION OF COAL AND PIG IRON.

Coal.

| | Tons |
|--------------------|-----------------------------|
| 1882 | 156,499,977 |
| 1855 | 61,453,079 |
| Increase | 95,046,898 = 154½ per cent. |

Pig Iron.

| | Tons |
|--------------------|---------------------------|
| 1882 | 8,586,680 |
| 1855 | 3,218,154 |
| Increase | 5,368,526 = 167 per cent. |

SHIPBUILDING.

| | 1877 | 1888 |
|------------------------|----------------|---|
| | Tons | Tons |
| Iron vessels | 530,000 | 933,744 |
| Steel „ | 1,118 | 166,428 |
| | <u>531,118</u> | <u>1,100,172</u> = increase 107 per cent. |

POPULATION.

| | |
|--------------------|--------------------------|
| 1881 | 35,246,562 |
| 1851 | 27,745,949 |
| Increase | 7,500,613 = 27 per cent. |

GLASGOW DWELLINGS.

| | 1880 | Per cent. |
|--------------------------------|---------|-----------|
| One apartment houses | 35,843 | 74·31 |
| Two " " | 52,693 | |
| Three " " | 17,746 | 14·89 |
| Four " " | 6,623 | 5·57 |
| Five " " | 6,223 | 5·23 |
| Total | 119,128 | 100·00 |

The value of ground in Glasgow varies from about 15s. per square yard in the outskirts to 100l. or more per square yard in the central parts.

Compared with agricultural rent of 3l. per acre, the rise in value represented by the price of 1l. per yard, calculating the annual return at 5 per cent., is 8,066 per cent.; by 50l. per yard, 403,333 per cent.; by 100l. per yard, 806,666 per cent., and so on.

The Botanic Gardens ground, now valued at 15s. per square yard, has increased in value since it was feued sixty-six years ago 2,135 per cent.; while compared with agricultural rent of 3l. per acre, the increase is 6,050 per cent.

ACREAGE OF LAND UNDER CROPS.

| | Corn crops acres | Green crops acres | Grass and other crops acres | Total acres |
|----------------|---------------------|----------------------|-----------------------------------|----------------|
| 1868 | 11,659,855 | 4,865,057 | 29,448,984 | 45,973,896 |
| 1883 | 10,326,518 | 4,708,934 | 35,421,427 | 50,456,879 |
| | - 1,333,337 | - 156,123 | + 5,972,443 | + 4,482,983 |

ESTIMATED ANNUAL LAND VALUES OF THE UNITED KINGDOM.

| | | Per acre | £ |
|---------------------------------------|----------------------|----------|---------------|
| Cultivated land | 50 million acres | at £3 | = 150,000,000 |
| Town " " | $\frac{1}{2}$ " " | £200 | = 100,000,000 |
| Waste lands, bogs, moors, &c. | 26 $\frac{1}{2}$ " " | 10s. | = 13,500,000 |
| Total | 77 million acres | | 263,500,000 |

To this estimate have to be added the large revenues derived from lordships and royalties on minerals of all sorts, and the probability is that 300,000,000l. per annum is approximate to the amount of the tax that land monopoly excises from the products of labour.

A DELEGATE wished to ask one question of Mr. Jones. How did it come about that Rochdale, the Elysium of co-operation, with a population of 109,000, had to pay 32,000*l.* in poor rates, which was equal to 6*s.* per head of the population; whereas Ashton-under-Lyne, where co-operation did not flourish, with a population of 130,000, paid only 18,000*l.* in poor rates, which was at the rate of 2*s.* 11*d.* per head?

Mr. B. JONES, in reply, said he could only refer the gentleman who had put the question to the volume of the *Co-operative News*, where the whole subject had been completely thrashed out.

DISCUSSION.

Professor BEESLY (Positivist Society) wished to offer a few words by way of criticism on the paper of Mr. Sedley Taylor. He did not know how far the system of profit-sharing might please capitalists, but he thought it was not likely to be accepted very generally by workmen as a satisfactory solution of the labour question; and he was very sure it ought not to satisfy them. What was the workman's complaint? It was that of the increased value given by labour to the raw material or to the unfinished article the capitalist appropriated to himself an excessive portion, which he called his profit, and which he employed for his own advantage—either by extending his business or by giving himself certain enjoyments. The workman would not complain if his employer devoted a reasonable portion of his profit to the welfare of those who were in his service. This he might do by direct or indirect means: he might lay it by as a reserve fund, within his own control, but destined for use in worse times in order to keep up an equal level of wages. But the employer did no such thing: he took all he could get hold of, and claimed the right to use it for his own advantage; and he did so. The profit-sharing capitalist said in effect to his workmen: 'The profit I have been in the habit of taking I still intend to take. I mean to stick to it, and to use it for my own advantage. I do not intend to let you have any share of it, direct or indirect; nor do I mean to put by a reserve fund to enable me to keep up your wages in bad times. But I tell you what I will do: if you like to work harder, and take more care of my tools and my materials, and so create an additional profit, then I am willing to allow you, not the whole of the additional profit, but a portion of it.' Mr. Taylor had insisted again and again that the employer's profits would be increased by this arrangement. That was the only argument by which he hoped to induce employers to adopt it. So far as that additional profit was the result of economy

in material and tools, there was nothing to be said against it: waste was a very bad thing, and should be discouraged on moral as well as on material grounds. But what did economy of time mean on which Mr. Taylor had dwelt so strongly? It meant just this, that more work was to be got in the twenty-four hours out of the workman than now: either there would be an increase of the hours of labour, and he was convinced that this would be the result of a general system of profit-sharing; or, if the hours were allowed to remain nominally the same, the labour would be more severe, and a greater amount of it would be crowded into the same number of hours to the great fatigue and distress of the workman. What had become of the comparison between the larger wages paid now and those received in years gone by for labour in trades chiefly depending upon machinery, such as the cotton trade? There was no comparison, because the increased speeding of machinery, and along with it the increased labour got out of the workman, caused more distress and exhaustion of mind and body to him than before. (Hear, hear.) It was not desirable that workmen should work harder. They worked too hard already for their health, happiness, and dignity. There might be men who were attracted by the prospect of harder work and a share of fluctuating profits, even though it was only 2 per cent., as appeared to be the case sometimes. But what the bulk of the workmen wanted—and not only the bulk but the best of them—was lighter work and unfluctuating wages. There was only one way by which the workman could get a larger share of the fruits of his labour; and that was by all non-workmen consenting to take a smaller share of them. (Hear, hear.)

MISS MARY H. HART (Decorative Co-operators' Association) read extracts from a paper treating of Obstacles to Industrial Reform. The following is the paper:—

The biographer of Leclair in his opening chapter remarks that before knowing that great captain of industry he had talked about labour, and workshops, and profits, and capital, as a blind man talks about colours. This candid confession cannot surprise any man who, like M. Chas. Robert, has clearly grasped the secret of Leclair's success; and who has mastered the varied changes which brought that captain's industrial regiment to its present organised perfection. The great Frenchman knew human nature. In steady pursuit of truth he learned that to inspire confidence in others he must repose trust; that to rule well he must be the servant of all; that to get his lawful rights he must concede rights to those who served him, that duty alone secured happiness; and that the very joy of a life worth living lay in the spirit of self-surrender to the common

weal: in a word, he sought the right path, and took pains when found at any cost to walk in it. Were not the faithlessness of the world and the lack of imagination every day painfully forced upon one's observation, it would be a matter of profound astonishment to any thoughtful mind that all large employers of industry—when they knew the story—should not resolve, if only for the sake of peace and security, to rise to the high moral level of the noble-hearted Frenchman, and take a more equitable view of the natural rights of that large section of the human family who have only their labour to live by: at present is he not the victim of strikes as well as too frequently the object of the constant ill-will and suspicion of his employés? With capital, influence, and experience at his command what might he not accomplish?

As the representative of a board of directors whose object in promoting the Decorative Co-operators' Association¹ is to develop an industrial partnership worthy of its French model, I propose to set forth a few of the obstacles that beset the path of the industrial reformer. In the internal organisation difficulties vanish with comparative ease when the workers understand that the interests of all are associated in one common band; slowly in some cases, but sooner or later in all, the bondage of mere wage labour becomes transformed into the service of freedom; and the kindly testimony of a nobleman volunteered the other day to the effect that the painters in his dining-room 'were doing the work in half the time of any he had before met with,' is only one out of the many satisfactory reports that daily encourage us. The main obstacle does not rest with the workman as some would have us believe; faults he may have, because he is only human, and he shares the frailty common to all grades of society. What I want to do is to bring the question home to the conscience of the public, to inquire whether no blame lies at the door of the consumer? All persons who keep their eyes and ears open must be aware that the word 'cheap' is in everybody's mouth; this rage for 'cheapness' has grown to the extent of downright immorality. In one way or another the great majority are trying to get thirteenpence halfpenny for a shilling, and if they imagine they get more, they are profoundly happy, they never stop to think that some unfortunate person must be robbed! The consequence is that this 'ignorance of demand' on the part of the public has produced, and tends every day to increase, 'adulterated supply'; and the purchaser ignorant of the value of the real article commits a double wrong—he either encourages scamped work and pays dearly for it, or else he has bought defrauded labour, and is in all probability putting very high profits

¹ 405, Oxford Street, W.

into the pocket of the thief. Leclaire was awake to this form of greed in human nature, and before instituting reforms which exposed him alike to the ill-will of the Government, as well as the suspicion of other employers, took the precaution of issuing fearlessly a number of pamphlets exposing the secrets of a dozen ways in which large profits could be secured on scamped work, or literally on 'an adulterated article.' Leclaire's tracts on the subject have not reached me, but I will epitomise a few of these methods, restricting myself to the industries with which I have made myself acquainted.

The demand on the part of the public for estimates for every description of work, with probably the intention—and certainly in most cases the result—of accepting the lowest tender, leads on all hands to deterioration in the quality of the work. Honourable firms undertake it at the lowest possible profit, and often the prospect of none at all, in order to keep in the market, and have in turn to hurry the work unduly, in order that the small margin left may not be converted into a loss, doing all the time, however, the best they can for the client with the narrow means at their disposal. The excellence of work which depends for its quality more on individual labour than on the material used, must consequently suffer much, if not in appearance at first, certainly in lasting quality. In the case, however, of men who are less scrupulous, and make as large a profit as possible out of everything and everybody—no matter whom, the client or the workman—and who are satisfied if their work appear when finished just good enough to pass and to enable them to get their money with the minimum of discontent from the client, something more is done. Every obligation in the contract which can possibly be evaded is so much the more gain. Labour is starved and cheap material supplied. Work which at completion is out of sight is left in a disgraceful state, to be most likely a source of danger or of future expense; and the whole is scamped in various ways. Take the building trades for example. Who has not heard of the 'jerry' builder, who runs up rows of houses of inferior half-burned and shapeless bricks, cemented with a composition miscalled mortar, into which composition the maximum of road sweepings and the minimum of lime and sand usually enter; which houses he scarcely dare build alone, so he places them in rows for mutual support. Let us call such support 'corrupt association.' Into far better houses than these, however, the scamping workman enters, and driven by the necessity of squeezing every possible penny out of the work, he falls to and does his best to make its quality correspond with the low value of his master's contract. The carpenter uses green unseasoned wood, put together with ill-fitting joints and in the roughest manner; trusting to his fellow-

labourer the painter to smother over many of his sins. His timbers are thick enough to keep in place under ordinary strain, and that is all. Any abnormal stress may be followed by a coroner's inquest, but what cares he—his bill is paid? The painter forgets as many of the coats contracted for as he is able, and omits to make much preparation for those he does put on, with the probable result of flaking or peeling off under the slightest heat. He 'puts on two coats at once,' as he calls it, by daubing on his colour with extra thickness, its shrinking, softness, cracking &c., being as nought to him. Neither does he mind the long continuance of its smell; why should delicate persons object to the smell of turpentine—he does not? And what if the sticky and resinous varnish he uses leave the woodwork or the staircase walls in the condition of a fly-paper? People should pay a price enabling him to get a varnish made of good gum, and not consisting principally of boiled oil! After all, his staircase wall smells better than the papered walls left in the bedrooms by his friend the paperhanger, who did not take care to use size quite free from decay, and paste exempt from sourness. The gilder decorates the drawing-room with gold, certainly not of twenty-two carat fineness, and if it will not clean up after a year or two's discoloration from gas, what matter to him? He has by that time reduced many another room to a similar condition. Then comes the furnisher with his cheap carpets, the wool distributed on the surface of which is warranted not to be rubbed off under some months' wear; with his sofas and chairs, honestly made, insomuch as every joint is visible, and eager to show its interior construction—the stuffing in the seats being, moreover, of rare excellence in his eyes because quite one-tenth of the quantity of horse-hair supposed to exist might actually be found under the æsthetic covers, but who cares—it is out of sight? The value of horse-hair, too, varies from fourpence per pound to a sum six times that amount. Stuffed furniture supplied by the cheap pretentious shops, when it comes into the hands of a respectable firm for restuffing, often reveals a nest of unnamable rubbish; and the vile stuff is quickly burned by those who know the unsanitary nature of its composition: such practical knowledge needs no scientific education. The upholsterer calls this 'sweepings,' and truly it might be the accumulation of all the sweeping of slop shops and rag warehouses. It is a pity a specimen of this 'stuffing' did not find its way into the unsanitary houses that were to be seen in the Health Exhibition. It might have been 'risky' to the health of visitors in pursuit of knowledge, but ocular demonstration would have proved to the sanitarian that where he was spending two or three hundred pounds on his drains, his wife might be importing fever germs in a

new velvet-covered sofa. Is it not humiliating that men of honour should be even expected to compete with labour of this description? It is true, nevertheless, that to all these drawbacks of unscrupulous competition is the conscientious employer exposed. How will it fare with the wage-earning class if they are to be left to solve the problem by themselves? I put this question because I have been told by a well-meaning employer, in a copiously dashed epistle, that our efforts in the labour field are misdirected, that we are expending them on those who ought to be able to take care of themselves; and what is to become of the helpless women and children? That question I will dispose of at the close of my paper, though, by-the-by, the women in Oxford Street who share the work will share in the profits. First, let me put another and ask—Can we any of us literally take care of ourselves: are we not mutually dependent on one another? The possessor of the most brilliant thoughts before he can give them to the world at large is dependent on manufacturer, stationer, printer, publisher—in fact a regular army of labour, before those thoughts can reach the public; the same applies to the inventor, who, if he be without capital, is at the mercy of the cunning man. To my mind the ‘haves’ in the world are responsible more or less for the condition of the ‘have-nots.’ But, left to take care of himself, what is the actual fate of even the skilled artisan? He simply becomes the victim of the greed, the cunning, and the ignorance of his fellow-men—the ignorant but ‘cheap-loving’ purchaser often putting double profits into the pocket of the man who has extorted the article out of the defenceless workman at half its market value. This is the lot of an unfortunate class of men who have come under my notice during the last two years, often spoken of as ‘garret masters.’ They include in their ranks a large number of highly skilled artisans whose productions are to be found in the mansions of the wealthy. These productions comprise all kinds of furniture ‘picked up’ (as the phrase goes), consisting chiefly of marqueterie, Chippendale, carved work, &c.; a great age attaches to it all, and consequently it commands a corresponding exchange value. The extraordinary thing is that the ‘supply’ of these venerable *articles de luxe* never ceases. So long as there is a ‘demand’ for a cabinet one-hundred years old the ‘supply’ is ‘picked up’ for the eager purchaser; and why? Because, strange to relate at so great a lapse of time, the producer is close at hand!—as one of these men remarked to me the other day: ‘I make nothing new.’ I have ascertained that as much as 500 or 600 per cent, is often made by the vendor of these articles; one pair of ‘very old’ cabinets, for instance, that cost the opulent purchaser 350*l.* the producer had received for them a few months before 40*l.*, making

perhaps a profit on his labour of from 6*l.* to 10*l.* In most cases, however, he regards 'profits' as a sort of windfall; he cannot depend upon them, as—with, of course, honourable exceptions—he is too often beaten down even on written orders to the extent of 20 per cent. Instances of this kind might be multiplied did time permit; but let us look at the sort of things that happen at the cheap pretentious shops, mainly dependent on these men for every-day articles of furniture. A man that I know took a small article of a new design, his own pattern, to one of these shops; was asked his price per dozen, told to leave it and to call again. He did so, to receive the information that a man had been found who would produce the article at 1*l.* a dozen less, and that he might take his work away! Thus was the man robbed of his invention and defrauded of his prospective labour. Only last week I, unknowingly at the time, sadly interfered with a profitable bargain by purchasing of one of these men at an equitable price a coveted article. The extortioner when he found it was sold, wanted to have it reproduced at half its value, the sum in fact that he had previously offered for such an article and might possibly have beaten the man down to. But into whose pocket does this price of defrauded labour go? Not into the customer's. Here is an example: an order was given by a customer at a so-called cheap shop to make a piece of furniture, and the work was put into the hands of a skilled workman to be executed at a price named. The article when finished satisfied the customer, who repeated the order; but when the workman delivered the duplicate the tradesman found all manner of fault with a view to reducing the price, offering 25 per cent. under the sum bargained for. The angry man carried off his work, and knowing where its companion piece was lodged, took it home and fitted it in its place to the perfect satisfaction of its owner, to whom the now comforted man confided his story. The gentleman inquired the sum he was to have been paid for his labour, wrote out a cheque for the amount plus a sum representing 37½ per cent., remarking that 'he had been saved several pounds'—a sum representing 57½ per cent. on the transaction. This story proves that the unscrupulous tradesman, after securing for himself a profit of 95 per cent., tried to defraud the workman of an additional 25 per cent. to transfer into his own pocket. Perpetually these defenceless men, after executing orders taken at the lowest price, are, on the delivery of their work, 'beaten down' under the pretext that it is faulty, and are forced by their need to yield to their extortioner. But Friday and Saturday are the dreaded days with these unfortunate sons of toil; then it is that they are forced into the 'cheapest market'—a market shunned till the last moment—this place is called the 'dog's home,' it is their last resource.

There to the fullest extent cunning gets the better of skill—opportunity makes the thief—the workman is robbed not only of his own labour but even of the value of the labour of the men he has paid at Union prices. Over-production! I hear some one say; if so, who is responsible for it? Surely those who, whether with knowledge or in ignorance, are literally in league together through encouraging the spirit of greed to crush the producer and to defraud him of the fruits of his labour—labour, the just price of which would enable him, the producer, and others in like need, to enjoy the luxuries of furniture as well as a home in which to house it. Would that the ‘rapping spirits’ whose communications have hitherto been of a somewhat questionable nature—would that these messengers would take a lodging in such furniture both old and new, and ‘rap out’ the wrongs of all the ugly stories attaching to their history! Never before did I dream that I could serve the living by finding a market for the productions of their dead ancestors; now I am open to such orders, and will thankfully ‘pick up’ old cabinets, &c., in the service of humanity! Let me commend my hearers to the study of M. Zola’s recent novel *Au Bonheur des Dames*, a work not palatable to the refined taste, but one that exposes the greed of monster monopoly, a monopoly held by men whom *Punch* in scathing verses has recently satirised as the ‘flintivits’ of trade, traders who without incurring the cost of production lay themselves out to undertake contracts, which contracts are executed at the cost of the little men they enslave and demoralise. It is a nefarious form of competition that impedes reform and is eating at the very heart of commercial morality. The object of this paper is to expose obstacles to reform; everybody knows the reform I advocate; for when, thanks mainly to the trust and devotion of my two colleagues, Mr. Albert Grey and Mr. Cameron Corbett, words on this subject have ripened into deeds, life becomes inevitably an active propaganda of the principle of sharing. ‘Now’ (as Emerson wrote fifty years ago) ‘every man takes care that his neighbour is not cheating him,’ thus self-intent he is often to be caught in the very act of cheating his neighbour. Can legislation alter this? The State may restrain the fury of the tiger in man, but can it eradicate the cunning of the ape? No. ‘But,’ predicts the moral essayist, ‘a time comes when a man cares that he is not cheating his neighbour, then everything goes right, the market cart is transformed into the chariot of the sun—and verily the transformation scene will come—for, let a faithless world deny it, the warm, living grasp of Truth is after all stronger than the cold, iron grip of greed.’ Those who doubt this assertion have only to cross the Channel and take a ticket to Guise to have ocular proof of what is within the reach of any manufacturer with

capital at his command. There, in a bend of the river Oise we may see the Associated Home and all its adjuncts that minister to the human needs of the 1,400 workers who labour in the Associated Workshops on the other side of the river. To every member of that human family is secured from birth to death the equivalent of riches : in childhood all have equal chances of physical, mental, and moral development ; the fruit of every man's labour is secured to him through mutual service rendered ; study and recreation are within the reach of all, for the joy of life is not crushed out of their existence ; in sickness there is all needful help at hand ; and old age finds the workers living in honourable independence. There, too, the freedom of all is enlarged ; bolts and bars unneeded, because all have learned to respect the rights of others, consequently flowers and even ripe fruit are exempt from juvenile depredation in the extensive pleasure grounds that are the property of all. The original sole proprietor, without impoverishing himself, has enriched all, and that too without patronage to the workers or help from the State ; and moreover we hear no cry there about ' helpless women and children,' because men and women are helping one another. Such is the substantial monument of the great living humanitarian, M. Godin, the founder of the Social Palace of Guise. I adopt the word humanitarian advisedly because of the frequently mistaken use of the word philanthropist. Philanthropy is often spoken of as if it were the luxury of a privileged few, who exercise it as a sort of work of supererogation : whereas true love to man ought to be as free as the air we breathe ; the ' luxury of giving ' ought to be within the reach of all. Nor will coaxing appeal to the ' haves ' of society to surrender one iota to the ' have-nots ' ; coaxing can prevail on many a man to give that which he does not want, but the majesty of sharing is reserved for the man of lofty soul, who, roused by the enthusiasm of humanity, shall cast aside the pinchbeck chains of class conventionality and ascend the ladder of social progress. Mere rank will cease to fascinate him, for holding out the hand of fellowship to the man below, he will in the spirit of true democracy confess ' that man is as good as I am ' ; and hand in hand as man and brother both will ascend the ladder through the dynamic force of love and duty. Human rights, the heritage of all, can be attained only through the performance of human duties, but let us not fear, God lives ; in many ways He is writing His moral Law in the hearts of living men, and exactly in proportion as we obediently follow such Divine leading, will He, the ever-present Father of all, through such consecrated human effort, ' help the poor unto their right, that the man of the earth be no more exalted against them.'

Mr. W. J. STRACHAN (Hull Trades Council) considered the profit-sharing principle as promulgated by Mr. Sedley Taylor would not tend altogether to the advantage of the working classes. He had himself seen it carried on upon a very small scale, and had observed that instead of elevating the moral tone, it increased the selfishness of men. If, instead of looking to themselves, they were animated by the higher principles laid down by Mr. Frederic Harrison—viz. love to their fellow-men as the highest motive which could prompt them—they would rise above selfishness. The great difficulty was this: under the profit-sharing principle an old man would come very poorly off if his earnings were to depend wholly upon the work he did. The paper read by Mr. Jones was an admirable one; it was very comprehensive; working-men would do well to peruse it carefully; and he believed that much good would come of it. He certainly, in a sense, believed in profit-sharing, he thought it was only a right thing—there were firms carrying out the principle at the present time—and could be conducted on equitable lines by employers generally if only they were animated by a less selfish spirit than they displayed now; happily in all cases there are exceptions. Instead of studying themselves, and spending their lives in personal and social enjoyment, and entirely putting aside the interest of the workmen who were dependent upon them, they should consider the happiness of their employes and endeavour to promote their welfare. There was plenty of room for doing that in the town from which he came, where many of the employers had, and were amassing, fortunes, and bought large mansions and estates. Something had been said about taxing flour. It seemed to him that, if such a tax were imposed, it would have a serious effect upon the people and millers at any rate; for the system of milling during the last twelve months, instead of benefiting the workmen, had tended to diminish their wages. Improved machinery, far from being an advantage to them, had proved the reverse; for now, instead of receiving a fair rate of wages, where modern machinery is applied, the average has diminished from 30 to 35 per cent. More work is done by fewer and less skilful hands, and the gain by the change is the mill-owner's. This reduction pressed hardly upon the workers. On the whole, he could not fall in with the system of profit-sharing because he believed it would have an injurious effect upon the working classes who might participate.

Mr. J. S. MURCHIE (Amalgamated Society of Carpenters and Joiners) said that one or two points had occurred to him during the reading of Mr. Sedley Taylor's paper which he would mention as they had not been referred to in the course of discussion. One was: How were they to ascertain the profits of employers? There had

been a strike in Manchester wholly due to such information being withheld. The workmen claimed an advance, but the employers replied that their profits would not allow of their complying with the demand. The difficulty then arose how to get the necessary knowledge on that point. Formerly there existed a board of arbitration composed of an equal number of employers and of workmen, six on each side. At that board monthly reports were submitted, and other evidence was brought forward showing the state of trade throughout the country, especially within the locality in respect of which an advance of wages was claimed. All that the employers could be got to say was, 'Our profits will not admit of our making the advance;' and all that the umpire could say under the circumstances was, 'Well, gentlemen, I am bound to accept your word for it.' It was not nice or decorous to say to employers, 'We workmen do not believe you.' The latter, therefore, simply presented their side of the case, and they had never yet been able to ascertain the amount of the employers' profits, although the investigator would have been pledged not to reveal the result of his investigation except to the umpire. It would be a difficulty to get them to admit what their profits were, much less hand them over to the investigation of working-men, which would be necessary under any system of profit-sharing. With regard to workmen on the Continent, he did not know much about them; but it would seem from Mr. Sedley Taylor's paper that the condition of labour there was different from its condition in England. In his own trade the continuity of labour was not now what it had been in the days of our forefathers: it was now an uncommon thing for a man to be found in a shop for more than eighteen months or two years together, whereas fifty years ago men used to live and die in the service of one firm. That was not so nowadays with a shifting trade like his. When a man went to his work in the morning, he did not know whether he might not be discharged at night. As for profit-sharing, he would like to know what was a man's share when the probable results of an enterprise could not be ascertained until the end of the year. Those were the difficulties which Mr. Sedley Taylor would have to get over before he could carry out his idea; if he could not meet them, they would form a fatal objection. His own opinion was that production on the co-operative plan would be the only solution of the problem as between capital and labour. Workmen would have to employ themselves. He had in his mind's-eye a very good illustrative case, which he had been asked to mention by a gentleman who was not likely to be called upon to speak. In Manchester there was a co-operative printing society, and nearly every workman connected with it had a share in the concern. At

the end of each half-year they divided $7\frac{1}{2}$ per cent. to the shareholders, and the remainder of the profits went in three portions: one going to the shareholders again, another to the workmen—a percentage of their wages—and the third portion to those who traded with them. That experience led him to the conclusion that the present difficulty could be solved only by co-operative production.

The CHAIRMAN: Mr. Sedley Taylor is good enough to forego his right to reply. I ought to say for him, in reference to what fell from the last speaker, who said he did not think as an English workman that profit-sharing could exist in this country, that, as a matter of fact, it does exist to a considerable extent. Miss Hart represents a very successful profit-sharing establishment, and there are many others in certain trades.

Mr. SEDLEY TAYLOR explained that when it was estimated there would be no time for reply, he made his waiver conditionally on there being no attack made on the paper which might require a reply.

The CHAIRMAN: We must give up possession of the hall in two or three minutes, as it is wanted for another purpose. Mr. Taylor must make his reply in writing, and it will appear in full in the Report of the Proceedings.

(The Conference then adjourned.)

Mr. SEDLEY TAYLOR writes:—

I avail myself of the opportunity afforded me to write a few words in reference to criticisms made on my paper by Professor Beesly, Mr. Strachan, and Mr. Murchie.

Professor Beesly is perfectly right in saying that I have represented profit-sharing as a source of material benefit to employer as well as to employed. Capitalists in general are, indeed, hardly likely to introduce it unless it offers them some tangible inducement to alter the established mode of remunerating labour. I should, however, sincerely rejoice if they proved willing to try the system on the basis of assigning to their employes the entire additional profits realised in consequence of the stimulus of participation; and I certainly regret having neglected to draw attention in my paper to the moral grounds on which that course may be recommended. My critic is of opinion that the result of a general system of profit-sharing would be severer and more distressing labour. I should anticipate an opposite consequence—more intelligent and thoughtful work performed with greater cheerfulness and, therefore, with less tendency to overstrain. The experience hitherto obtained unquestionably points in this direction. The existence of great preventable waste in many branches of industry is generally recognised; and its removal, combined

with reduction in the cost of superintendence, thus constitutes an admitted source whence additional remuneration might accrue to more careful workers. I cannot, therefore, think, with Professor Beesly, that only by the diminution of the non-workmen's share can that of the workmen be increased, though I fully believe that such a diminution would be for the public good.

The instance of profit-sharing adduced by Mr. Strachan is, if I rightly understand his expression 'upon a very small scale,' one in which participation extends only to heads of departments or foremen. The tendency of such an arrangement is of course directly towards selfishness, but this proves nothing against the totally different organisations contemplated in my paper.

To Mr. Murchie's objection that workmen cannot ascertain the amount of employers' profits, I reply that the difficulty admits of being overcome by an inspection of their books confidentially made by a sworn accountant, or other independent person trusted by both parties. There is also nothing to prevent the share in profits of a man employed for but a small number of days from being sent to him by post at the year's end. These two expedients are in fact regularly in use at the *Maison Leclaire*.

I may be allowed to add that I regard profit-sharing, not as a final solution of the labour question, but as a stage on the road towards co-operative production and the emancipation of labour.

FRIDAY, JANUARY 30, 1885.

MORNING SESSION.

WOULD THE MORE GENERAL DISTRIBUTION OF CAPITAL OR LAND, OR THE STATE MANAGEMENT OF CAPITAL OR LAND, PROMOTE OR IMPAIR THE PRODUCTION OF WEALTH AND THE WELFARE OF THE COMMUNITY?

Land, Land Reformers, and the Nation.

BY A. J. BALFOUR, M.P.

ONE of the most conspicuous peculiarities of contemporary political speculation is the degree to which it concerns itself with the social condition, as opposed to the strictly political constitution, of the community. Formerly such speculations were mainly occupied in discussing, often on very abstract grounds, the comparative merits of monarchies and republics, in balancing liberty and order, in semi-metaphysical attempts to determine the rights of man and the true basis of society. These ancient controversies still retain, and will perhaps long retain, a faint vitality; but in the West, where, under whatever variety of external form, the supremacy of democracy is thought to be assured, discussions on the distributions of power are slowly being replaced by discussions on the distributions of wealth. It is not merely in the socialistic and semi-socialistic speculations, with which all in this room are more or less familiar, that this tendency is displayed. It is manifested also in the increased sensitiveness which is felt in regard to the hardships which, under the seemingly inevitable operation of existing social arrangements, fall to the lot of large sections of the community. In these hardships themselves there is un-

fortunately nothing new. Poverty and want have always existed. They have often, for long ages and over vast areas, existed with infinitely greater intensity than they do now and here. They have undoubtedly diminished; we may hope that they are diminishing. But if the evils themselves are less, our sensibility to them is greater. We no longer acquiesce with resignation in their existence, as though, like pain, decrepitude, and death, they were part of an inevitable order of things; to be mitigated perhaps in detail, but to be endured without hope on the whole. This is a conclusion to which we may be forced, but it is no longer one to which we easily submit; and whether we have a panacea in our pockets or not, whether we believe a panacea to be possible or not, we are no longer serenely content to preach charity to those who do not suffer from want and resignation to those who do.

This impatience of existing social arrangements, or rather of the results which are supposed to spring from them, exhibits itself, as might naturally be expected, in an infinity of different schemes, ranging from the advanced socialism which would violently transfer every instrument of production from the individual to the community, down to State-aided plans for improving the dwellings of the poor. As might also have been expected, one part of our social arrangement is attacked by preference in one country, another in another, according as the local circumstances and the historical development of the question may in each case determine. Thus on the Continent it is capital rather than land, or land considered for this purpose as part of capital, against which attacks are chiefly directed. In England it has been land rather than capital, or as distinguished from capital. The reasons of this difference are not difficult to discover. The political force, which gives its importance to speculative socialism abroad, is that wielded by important sections of the working classes in the large towns, who own no capital themselves, and are alienated from those who do by profound class animosities. It is neither their interest nor their inclination too prominently to attack private property in land; not their interest, because such an attack would inevitably array against them the whole body of

peasant owners who form over large parts of Europe so important a portion of the rural population; not their inclination, because it is the capitalist and shopkeeper of the town, not the landholder in the country, who is the special object of their dislike.

In England, on the other hand, where socialism has never as yet taken profound root, political events and economic theories have combined to turn the attention of would-be social reformers in the direction of land rather than of capital. In all differences which have arisen between urban populations as such, and rural populations as such, any weight of unpopularity which the latter may have to bear, has not unnaturally been concentrated on the landowner from among whom the rural populations have generally chosen their leader. Now the two most acute political crises which have occurred in this country during the present century have been those consequent on the Reform controversy which ended in 1832, and on the Corn Law controversy which ended in 1846. In neither of these cases was the dispute between capital and labour, or between rich and poor. In both, to a great, though not to precisely the same, extent, it was a question between town and country; in 1832 concerning the distribution of political power, in 1846 concerning the maintenance of fiscal privileges. Add to this that the landed interest (as it was called) was generally Tory, while the manufacturing interest was then generally Whig or Radical, that landowners were thought to be aristocratic, were sometimes rich, and were undoubtedly few, and it becomes intelligible why hostility to the class became part of the political creed of so many urban politicians; and why men who regarded the results of competition—the concentration of capital, the employment of the majority of the manufacturing population in vast mills on weekly wages—with entire complacency, spent much time in lamenting the state of dependence to which they supposed that causes in many respects analogous had reduced the agricultural labourer.

To this tendency, produced by party politics, a powerful impulse has been given by the language of theoretical economists. For, according to economic terminology, the products

of industry are divided into rent, interest, and wages; the recipients of these three portions being respectively the landlord, the capitalist, and the labourer. And, according to economic theory, the landlord's share was received by him in exchange for the use of an instrument of production, which, however acquired, was not the result of his or of any human industry, and for one which had besides a constant tendency to increase in value, as society advanced, without any expenditure or exertion on his part. He neither made its original, nor earned its subsequent, value. I am not at this moment concerned to examine the practical doctrines which have been deduced from this abstract theory, nor am I going to point out how widely the actual owner of British agricultural land differs from the ideal owner of the 'original properties of the soil,' whose position and prospects economists have, for perfectly legitimate scientific purposes, been pleased to discuss. My object is rather to indicate how economic theory has accidentally given scientific form to any floating jealousy there may be, or rather must be, of a species of wealth which, from obvious causes, constantly tends to appear larger than it is, and which influences the imagination to a degree out of all proportion to its magnitude, as compared with that of riches accumulated in other and less obvious forms. Add to these considerations the fact that land has taken longer to shake off the trammels which at one time shackled the free play of so much of our industrial life, and there will be no difficulty in understanding how it has come about that the land laws have been the subject on which, in Great Britain, social reformers have chiefly loved to try their hand.

Their efforts, which have not been unproductive of good, though seldom of as much good as was expected, suggest many topics on which, if this were the occasion and place, it would be interesting to enlarge. A period has indeed in my opinion been reached, when many of the questions which have been mooted in connection with the tenure of land may be discussed in a spirit of scientific impartiality which it was hopeless to expect from the most impartial and the most scientific observer a few years ago. The effects (for example) of law and custom

in hindering the free transference of land, will probably not be exaggerated so long as land remains what it is now—an almost unsaleable commodity. Undue emphasis is not likely to be laid on the necessity of encouraging the application of more capital to the soil, so long as the capital that has been already applied pays no interest; and the propriety and justice of appropriating the ‘unearned increment’ of rent may perhaps be discussed with judicial fairness so long as rents continue to fall.

When this purely scientific examination into the case shall have been effected, it will, I think, be found that statute law has interfered but little with the results of economic and social tendencies which operate quite independently of law. In certain cases positive enactments have somewhat fostered, in other cases they have somewhat impeded, the natural play of these tendencies; in no case, I suspect, have they done them serious violence. The absurd cost of purchasing land for instance may have, and I believe has, operated against the perpetuation of small freehold cultivation. But I am informed that such cultivation exists in countries where the cost of proving a title is not less than in England, and there is ample ground for believing that if fields could be passed from owner to owner as easily as bank notes from hand to hand, the small agricultural freeholder would nevertheless be worsted in the struggle for existence. Again I cannot doubt that settlement and entail have had in some cases a certain tendency to hamper the landowner in making permanent outlays on his property. But the landowners of England have spent more in permanent improvements than the landowners of any other country in the world except Scotland; though Scotland is the only country in the world where settlement and entail have been stricter than in England.

In truth, however, these and kindred questions have ceased to have much practical political interest. Legislation has been steadily at work in this island to free agriculture from all the hindrances which are supposed to, and to a limited extent probably did, impede its natural development. All land in England may now be sold; much of it is for sale, and nothing

is required but buyers. The capital which tenants choose to invest in the soil is now secured to them by law, and nothing further is required but tenants with capital. If both buyers with means, and tenants with capital be scarce, the law can do little to remedy the evil; if the agricultural interest is depressed, it is not because farmers are hampered in their operations by antiquated restrictions handed down to us from a feudal age.

But while these modest, and to a certain extent beneficial, alterations have for the most part sunk out of view, leaving little behind them but a faint after-glow in election speeches, theories of a far wider sweep have been slowly rising into notice. There are persons now to be found who suppose that by merely passing an Act of Parliament or two, it is not only possible to increase agricultural production, but that by the more drastic use of the same means vast improvements in the whole structure of society may be simply and readily effected. They go the length of believing, not only that poverty and want are the result of defective political arrangements, but that they are the result of defective arrangements in regard to the ownership of the soil; not only that they are produced by bad laws, but that they are produced by bad land laws. To statesmen of even ten years ago, whether practical or theoretical, whether belonging to the most rigidly *laissez faire*, or the most advanced socialistic type, the bare statement of such pretensions would have rendered any detailed examination of the scheme in whose behalf they were advanced entirely superfluous. But times are changed. Interest is now widely expressed in schemes which not long since would have been put aside as the dreams of a revolutionary enthusiast. And whatever excites general interest deserves at least the compliment of a fair examination, even if it should turn out that it deserves no other.

It may, perhaps, be thought that some approach, however distant, has been made to the point of view adopted by this new school, in the writings of Mill and those other economists who have built schemes of social reform on the somewhat frail foundation of a peasant proprietary. But though it be true that

they regarded this tenure with an enthusiasm for which it is not easy to account except by some of the causes which I have already enumerated as having biassed the minds of English reformers against the system which prevailed in their own country, it must be recollected, in the first place, that they expected even from the full adoption of their plan little, if any, direct improvement in the condition of the urban population; and, in the second place, that their opinions on this question no longer meet with general acceptance. To say that authorities are even now agreed about it, would indeed be untrue. But it would, I think, be universally admitted by competent persons that the advocacy of one form of land tenure as good in the abstract, and another as bad, belongs to a fashion of thought not less antiquated than that which produced the once prevalent opinion that one form of government was right in itself and another wrong; and that before judgment is passed with respect to any given country, reference must be made, not merely to general considerations, which apply to it in common with other countries, but to the peculiarities of its soil and climate, to the distances of its markets, to the aptitudes of its people, their usages, and the character of their agriculture. Beyond these modest generalities it would be rash to claim universal or nearly universal agreement. But there is undoubtedly a growing inclination among unbiassed observers to accept a view of this system as it actually operates on the Continent and as it might be expected to operate here, very different from Mill's, and very much less favourable as to its effects either on the rural population or the progress of agriculture. This view which, with very great reluctance I am compelled to accept, asserts that a peasant proprietary may, and in all old countries where it extensively prevails actually does, co-exist with great poverty in the large towns, with low wages and sometimes with harsh treatment of the labourer in the country districts. That while peasant proprietors are hard masters, and, where they have the chance, hard landlords, they themselves are too frequently subjected to a condition of dependence more cruel than that of any tenant or any landlord, or any labourer or any employer—the dependence, namely, of a small debtor on

a professional money-lender. That the system can hardly work unless the population will consent to limit its numbers in a manner which the Anglo-Saxon race shows no disposition at this moment to do. That in France, where this limitation actually exists, and where other and external circumstances seem favourable to the system, the subdivision has increased and is increasing to an extent which has long been a cause of uneasiness. That if its success has been so qualified under the exceptionally propitious conditions which prevail on the other side of the Channel, there is no ground whatever for supposing it would be other than a disastrous failure here, where neither the habits of the people, the traditions of the country, nor the character of the agriculture are suited to it; where it has shown no tendency to take root in districts in which it has not previously existed, or to thrive in districts where it has.

The truth is that, except in the case of market gardening, the system of peasant proprietorship lies in unstable equilibrium between two opposite dangers, from both of which it rarely succeeds in escaping. If, on the one hand, the small freeholders are but feebly influenced by 'land hunger,' those of them who are lazy and thriftless will sell rather than mortgage their holdings whenever the inevitable demand for money comes upon them; while those of them who are energetic and enterprising will also sell, because in old and settled countries it is usually more profitable to farm and pay rent for much land, than to own and cultivate a little. If, on the other hand, the peasants are powerfully moved by 'land hunger,' then, rather than sell, they will mortgage their holdings, if necessary at extravagant rates; rather than not buy, they will give extravagant prices for any plot of ground that comes into the market; rather than give up their share of the ancestral fields on the death of a parent, they will submit them to ruinous subdivision. In the one case the system gradually dies out; in the other it produces little but evil.

Extravagant as are the expectations which Mill founded upon the establishment of a peasant proprietary, they are nevertheless poor and insignificant compared with the hopes

which some more modern plans of land law reform have attempted to raise. Visions of a time when no man need be out of work and no work need be ill-paid, when poverty shall cease and want be banished from the land, have been conjured up in glowing colours before men's eyes. Nor has this Utopia, which many have desired to see and have not seen it, been represented as a thing afar off, to be reached—if reached at all—by the slow and painful endeavour of our struggling and imperfect civilisation. On the contrary, it is, we are told, within our grasp. With no new progress in science or the arts, with no elaborate reconstruction of the social mechanism, by legislation not more complicated than that which is required to put another penny on the income tax, we are gravely assured that the darkest stain on our social system may be immediately wiped away.

I will not pretend that I approach speculations of this kind with any respect. That their authors have advanced them with genuine conviction I make no doubt; that they have been defended, frequently with eloquence and sometimes with ingenuity, I gladly admit; but further than this I cannot go. As will readily be believed I am no socialist; but to compare the work of such men as Mr. George with that of such men, for instance, as Karl Marx, either in respect of its intellectual force, its consistency, its command of reasoning in general, or of economic reasoning in particular, seems to me absurd. But Marx deals chiefly with capital, the school of which I am speaking deals entirely with land. Marx is but little read in this country, Mr. George has been read a great deal; on both these grounds, therefore, it is with the least interesting and, as I conjecture, the least important theory that I must to-day chiefly concern myself.

Before, however, I come to Mr. George, who may be regarded as the chief apostle of the new school, and who represents all its peculiarities, moral and intellectual, in their extremest development, let me say a word about a not unimportant sect of land nationalisers, who, though differing from Mr. George both as to the precise origin of the ills under which society suffers, and the true nature of the remedy which

ought to be applied to them, yet agrees with him in thinking that they arise from our present system of land tenure, and may be cured by an Act of Parliament. Put shortly, the evil of which they complain has its root in the inordinate growth of our large towns, and the steady depopulation of our rural districts; and the remedy they ask us to adopt is to permit every individual once in his lifetime to select five acres of land to be held at the full rent on a perpetual tenure.

Now as to the growth of the large towns this may be, and I am sometimes tempted to think, an evil from a sanitary or political point of view, but it can hardly be considered one from the point of view of the production or distribution of wealth. For under our existing system it simply means the migration of people from a place where there is only one form of industry, and that one limited rigidly as to its amount by natural laws, to a place where there are many forms of industry, not necessarily limited except by the amount of capital and labour available for their pursuit.

It has indeed been absurdly supposed that this increase of the towns at the expense of the country is the result of the selfish and arbitrary action of the landowners who have driven from their estates multitudes who might there have obtained a prosperous livelihood. But to this charge it will be sufficient to say that there can neither be, nor appear to be, any conflict of interest on this point between the landowners and the rest of the community. If there is employment in the rural districts for an increasing working population, it is to the landlords' advantage that they should have every inducement to remain; if there is no such employment, it is to everybody's advantage that they should go. The real reasons for this change are surely not so obscure that we require to invent a motiveless crime to account for it. They are tolerably obvious, being, indeed, all intimately connected with the most striking influences by which the face of society is being transformed. Increased facilities of communication have done much to diminish the number of small country shopkeepers by rendering access to large centres of exchange easy. The same cause, combined with the spread of education, has largely destroyed

the immobility which once distinguished the inhabitant of the rural districts. A large town is no longer to him an unknown land with much of mystery about it and something of horror ; it is a place to which he will readily go if he can thereby better himself. And while he is more ready to go than he used to be, there are sometimes more motives for his going. Labour-saving machinery, while its introduction has been accompanied, and partly caused by, a great improvement in the material condition of the agricultural labourer, has decreased to a certain extent the demand for labour. The standard of living has been raised, and the number of persons for whom, at that standard, employment can be found, has diminished. Contemporaneously with these changes has come the pressure of foreign competition, which, by lowering the price of grain, has caused land to be thrown into grass which, while under the plough, gave employment to about three times as many labourers.

Such being the causes which have changed the relative number of our urban and rural populations, the problem remains: could we if we would reverse this process, and would we if we could? On this point the school of land reformers, whose opinions we are considering, speak with no uncertain sound. They tell us that the thing should be done, and could be done ; and that in order to do it, nothing more is required than to adopt the remarkably simple plan to which I have already referred, that, namely, of offering to every man who chooses to take it, a lease of five acres of land, to be selected under certain conditions, in the spot which pleases him best. And this expedient is to relieve us of the pressure of competition in the large cities, to improve the condition of the labourer in the country, to raise wages, to make labour independent, and to render employment continuous!

It appears to me, on the other hand, that reason and experience alike show that if it was carried out it could have no effect, or worse than no effect, in the urban, and would immediately ruin the country, districts. Let us consider for a moment. This plan is specifically urged as affording an 'outlet' to the congested population of the towns. But how many city working-

men would take advantage of it? and if many did take advantage of it, how long would it remain an outlet? If these five-acre tenants were to succeed at all, it is admitted that they must be thrifty and industrious, with enough capital to prevent them starting seriously burdened with debt, a competent knowledge of agriculture, and a physical constitution adapted to the hard out-door life of a peasant cultivator. How many such persons are settled in our large towns; and of those how many would accept the offer? But supposing the plan succeeded, and that from every great centre of industry came pouring into our rural districts cotton operatives, clothworkers, ironworkers, masons, carpenters, and dock labourers, with their money drawn out of the savings bank, prepared to settle down to their five acres, to dig, to build, to work fourteen hours a day, and make the best of a country life. How long could this process continue? The soil of England is not unlimited, and it already gives occupation to a not inconsiderable population. How many more do the gentlemen whose views I am considering think could live and thrive upon it? If, for the sake of argument, it was admitted that they amounted to a sufficient number to give some sensible relief to the towns, is it not obvious that this relief could be but temporary, and that in a few years the evil would be upon us again, seriously aggravated by the increased rate of influx from the country which must be caused by any great increase of its population? And if so, are we not forced to admit that the proposed remedy would either leave our difficulties unaltered at the moment, or it would greatly aggravate them in the future?

The truth is that to attempt to diminish the urban population by giving them what is called a 'free outlet' into the country, is like trying to drain the German Ocean by cutting a few gaps in a Lincolnshire sea-wall. The level of the ocean remains unchanged or is immediately restored, and the only result is that a vast area of cultivated land is totally submerged. So would it be in the case we are discussing. The towns would receive no permanent benefit, the country would be ruined. For all that we know on the subject goes to

prove that while small occupiers of land in England seldom thrive unless they can supplement the produce of their holdings by out-work, this is an absolutely necessary condition of success when their holdings are as small as five acres. Now what chance would there be either of those five-acre tenants, or of any one else, finding out work if this scheme were carried into effect? Agriculture is at this moment struggling for bare existence. To the farmer sinking under a complication of adverse influences comes a gentleman holding the opinions I am now examining, and says, 'No one wants to rob either you or your landlord, but it is necessary for the good of the community that you should give up to half-a-dozen gentlemen here from the neighbouring town thirty acres of your farm in six lots. Of course the rent you pay for this land will be remitted: and doubtless you will be glad to give them work during their spare hours. I should mention that the land they want, though they are anxious to select it with every regard to your convenience, must be of the best quality on your farm, and should have a frontage to the high-road!' How long does anyone imagine a tenant would consent to hold a farm, to whom such terms were offered, or who lay under the perpetual fear that they might be offered him? The fixed capital sunk in farm-buildings would be destroyed by the partition of the farm for which they were built; the existing farm-labourers would be thrown out of work; the floating capital invested in cultivating the land would fly to happier regions of the earth where these new methods of promoting national prosperity are as yet unknown; and the soil of England would be given up to a population without skill, without means, and engaged under the most adverse circumstances in an industry which the utmost skill, aided by superabundant means, can scarcely bring to a successful issue. Nor, if anyone be so obstinately sanguine as to suppose that even under such conditions these five-acre tenants would earn a living, let him suppose that their prosperity, such as it was, would make them good customers for the manufactures of the town. Whatever be the merits of a system of small holdings, and whatever the demerits of a system of large ones, it cannot be maintained, in face of the

fact that England grows nearly twice as much wheat per acre as France, and more than twice as much as Germany and Russia, that the first is favourable, the second unfavourable, to a large gross production of food. And what is true of gross, is manifestly still more true of net production. But as what benefits the towns is not the gross but the net produce of the land, not what the rural population consumes, but what it exchanges, we cannot suppose that the industries of the urban population would benefit by the agricultural revolution we have been imagining.

If these considerations fail of their effect, it is improbable that any mere appeal to facts will produce conviction. Yet it may be worth while to remind you that we have ample information respecting two countries, in one of which the people have all the 'access to the land' which, in a region long occupied and of limited size, can be conferred by the prevalence of small holdings; and in the other, have absolutely unlimited command of boundless stretches of fertile and unoccupied soil, and to point out that neither the example of France nor that of America give any support to the theories we have been examining. In France, though the population is almost stationary, the same difficulty with regard to the housing of the poor, the same uncertainty of employment, the same vicissitudes of trade—nay, the same influx from the country to the towns—are to be found as in this country. While the great cities of America are beginning to reproduce only too faithfully the evils with which the cities of the Old World have been so long unhappily familiar.

I turn now to a theory of even wider scope and (as I think at least) of more extravagant pretensions. Mr. George's panacea, which consists in nothing more complicated than the appropriation by the State of all that part of rent which springs from the possession of the 'original properties' of the soil, suggests two principal questions: first, How far is it consistent with justice? and, second, How far, if applied, would it effect its declared objects? I do not propose to occupy your time in attempting to refute Mr. George's arguments respecting the first of these questions; it will be enough for my purpose if I

give you an abstract of his opinions. He holds that property in land is unjust, oddly enough for precisely the same reason that he thinks interest on capital is just—namely, because both land and interest are due, not to the exertions of man, but to the bounty of nature. ‘Interest,’ it appears, would be ‘the robbery of labour’ (p. 161) if it were not for the fact that interest is in some cases due to ‘active powers of nature’ which are ‘distinct and separable from labour’ (p. 162). Rent, on the other hand, is the ‘robbery of labour,’ because ‘the exertion of labour in production is the only title to exclusive possession’ (p. 302). Exertion of labour in production is a title to exclusive possession, ‘because as a man belongs to himself,¹ so his labour, when put in a concrete form, belongs to him’ (p. 300), and ‘for this reason what he produces is his own as against all the world to enjoy or destroy, to use, to exchange, or to give.’ The right of a man to himself is the sole foundation of all other rights of possession, because ‘man is clothed by nature with no other power save the power of exercising his own faculties’; and ‘as the laws of nature are the decrees of the Creator,’ and ‘as nature gives only to labour’ (150 pages back we were told she gave also to capital), mankind has manifestly a right to appropriate what labour has not produced.

I shall not criticise this piece of reasoning, for I freely acknowledge that I do not altogether understand it. I am perfectly ready to admit in a certain qualified sense, both that a man has a right to himself, and that he has also a right to what he makes. But how the two propositions are connected as reason and conclusion, and how the matter is helped by such assertions as that ‘nature acknowledges no ownership or control in man save as the result of exertion’ (p. 301), how, if this be true, man acquires an ownership in himself, seeing that he is certainly not ‘the result of his own exertions’—and how, except by a most strained, if hackneyed, metaphor, nature can ever be said to make juridical assertions with regard to property at all, I do not profess to comprehend.

But though I do not comprehend the grounds of the doc-

¹ This is no doubt nonsense, but it is due to Mr. George to say that it is nonsense borrowed from Locke.

trine, I quite understand the conclusions that may be drawn from it. And here it must be owned that I think Mr. George has scarcely shown his wonted courage. So long as the only sufferers by his principle are the landowners, and the only gainers are the community in the midst of whom those landowners reside, he carries his reasoning to the bitter end with admirable, if remorseless, logic. All must respect the more than Roman virtue with which he repudiates any idea of compensating men for the forcible abstraction of a species of property regarded as legitimate by every civilised State in the world, and in the purchase of which they have perhaps invested the hard-earned savings of a lifetime. But the peculiar views about property on which this doctrine is founded, if adopted at all, should be applied impartially to every class and every nation. And here Mr. George, either through an amiable weakness, or through an imperfect grasp of his own principles, somewhat disappoints expectation. For he allows to pass unnoticed and uncondemned robberies not less flagrant than those perpetrated by existing owners of the soil. No man, for example, can have any right to property he has acquired, or that his ancestors have acquired, by the sale of land. He who has no right to land has no right to what land has purchased. The receiver of stolen goods clearly should not be allowed to retain the wealth which he enjoys only through having passed on those goods to somebody else. Nor let it be supposed that ancient claims or immemorial usage can be a bar to the just resumption of what has thus been fraudulently obtained. Mr. George contemptuously rejects any such suggestion when it relates to the actual possessor of the land; it is obviously not less inapplicable to the descendants of those who once possessed it. When the results of the appropriation of rents is exhausted, which will I am afraid be all too soon, I venture respectfully to suggest that I have here opened up a new and fruitful field for the application of these novel principles of natural equity which we owe to his teaching.

But Mr. George's principles have yet wider and more excellent applications which he has unaccountably omitted to notice. He seems to be under the impression that when he has

destroyed the title of the landowner to the soil, he has thereby established that of the community—nay, he even seems to think that his theories are practically exemplified in that system of village communes so prevalent in the ruder stages of civilisation. But it seems clear on consideration that if the landowner is a robber, a village commune must be a band of robbers, and a nation must be a commonwealth of robbers. The difference is merely that which distinguishes individual from joint-stock, or communistic enterprise. This becomes plain when we reflect that every nation owns its soil either in right of occupation or of conquest, and that in Mr. George's opinion there is only one species of title to land more utterly indefensible than one acquired by conquest, and that is one acquired by occupation (p. 309). Holding this opinion, he very properly rejects any claim derived from the Normans, because they obtained their title by the sword; for the same reason he would no doubt reject any title derived from the Danes, or from the Saxons. If we are tempted then to seek among the men of Cornwall, of Wales, and of the Highlands, who are the nearest representatives of the ancient Britons, for the legitimate owners of the soil of this island, we must recollect that after all the Britons obtained it by the destruction of their Turanian predecessors; and so we may go back through the dim twilight of the bronze and stone ages into the impenetrable night of geological time, only to be reminded that, could we discover the original possessors of the land, we should be no nearer the knowledge of its legitimate owners than before, since these original possessors would only hold it by right of occupation, 'a title if possible more absurd,' as Mr. George tells us, than the more violent one claimed by their successors.

From these difficulties there is but one escape, and Mr. George accepts it fully and frankly. Land does not belong to individuals, to communes, or to particular nations, but to mankind. 'The equal right,' he says, 'of all men to the use of land, is as clear as their equal right to breathe the air; it is a right proclaimed by the fact of their existence.' Now by a 'right to the use of land,' Mr. George always means a right to share in its rent. So that he explicitly acknowledges, what

clearly follows from his abstract doctrines on the natural foundation of property, that the earth and what is under the earth belongs equally to all members of the human family. I would suggest, therefore, that some of his statements be amplified in this sense. When, for example, he informs us that, 'Though his titles have been acquiesced in generation after generation, to the landed estates of the Duke of Westminster the poorest child that is born in London to-day has as much right as has his eldest son;' we should add, 'and the most degraded savage in the South Sea Islands has as much right as the London child,' not forgetting to conclude with Mr. George that 'he is robbed if his right is denied.'

Mr. George's principles thus carried consistently out, offer to this country a magnificent opportunity of showing to the world an example of disinterested justice. We have too long monopolised an income that was not our own. Let us no more deprive mankind of its heritage, but hasten to distribute in due proportion over the five quarters of the globe the chief rents of Lancashire, the ground rents of Lombard Street, and the coal-royalties of Durham. Such a course would prove our honesty beyond question; on the people of this country it could have no other effect than to cause wealth to be sent abroad which would otherwise be consumed at home, a proceeding which would hardly conduce to the 'extirpation of poverty,' or at least to the extirpation of our poverty, which Mr. George promises as the reward of adopting his opinions. But I have said enough, perhaps more than enough, on the reasons why the landowners have no right to keep their property. Let me turn for a moment to the reasons which make it highly expedient for the State to take it.

Now these reasons are of two very different kinds. The first kind takes the form of an attempt at an economic proof that the laws governing the growth of rent are such that no improvement of general well-being is possible while rents are permitted to go into the pockets of private individuals. While the second is of a much simpler description, and merely considers what would be the advantages to the community of

actually appropriating rents now and here. I take them in their order.

If it were true or nearly true that, as Mr. George asserts, the result of every improvement in civilisation, and of every increase in the powers of production, is to make the condition of all the population except the owners of land worse instead of better; nay, if this proposition were even a caricature of the truth, it might undoubtedly be the duty of the State at once to buy up all the land in the country, and become the sole receiver of rent. But it is not even a caricature of the truth. I might repeat here the reasoning of more than one economist who has undertaken the not very difficult task of refuting the abstract arguments by which this reckless paradox has been supported; but it will be more suitable to this particular occasion to content myself with a refutation by facts. An appeal to facts is no doubt a form of refutation that may be abused. In economic and political discussions it often is abused. But in this case there is no such danger. Mr. George, who in the general conduct of his argument is too apt to confound the provinces of logic and of rhetoric, is, in the statement of his conclusions, precision and lucidity itself; and he asserts categorically, as an inevitable law of every society which permits private property in land, that all, and more than all 'the advantages gained by the march of progress' go to the owner of land, and that neither the wages of labour nor the interest on capital can do otherwise than diminish. A theory of this kind, which asserts no mere tendency which may be corrected by other tendencies, but a necessary and inevitable fact, is destroyed by one contradictory instance: and to this particular theory, contradictory instances may be cited by the score. I will choose but one, it is that most interesting to ourselves: Great Britain is a country where private property in land exists, where for the last eighty years there has been a greater improvement and extension in methods of production than has occurred over the rest of the world during the lapse of centuries, where therefore, if Mr. George's law has been true, or near the truth, the wages of labour should have diminished, and where, as compared with that of the rest of the community, the wealth of the landowner

should have grown exceedingly. Has it been so? Is it not notorious that, whether estimated in real wages or in money wages, whether in necessaries or in luxuries, the reward of labour has during that period largely increased and the condition of the labourer greatly improved; and that the wealth of the capitalist has swollen out of all proportion to that of the landlord? And if this be so, is it not certain that, whoever may be right, Mr. George at all events must be wrong? It is surely strange that opinions so confident should be put forward when the facts which refute them are so obvious. Mr. George asserts that every improvement adds to the wealth of the landowner and lessens the wealth of every one else. Does he think that the landlords of Essex are benefited, and the artisans of Manchester injured, by the improvements in transport, which have enabled us to import American and Indian wheat at thirty-two shillings a quarter? Mr. George is of opinion that poverty will be extinguished by dividing the rent of a country among its population. Has he ever reflected that there are considerable portions of the working population of Europe, who not only get what he would consider their share of rent, but a great deal more than their share: as, for instance, the peasant proprietors of France and Belgium and of Lincolnshire. Is he going to hold up these people before our eyes as examples of what his millennium is to produce?

But Mr. George is not content with making his theory inconsistent with facts; it does not even square with his proposed remedy. The reason why, according to his view, the landowners are enabled to absorb the whole results of any improvement in industrial processes is, it must be recollected, because such improvement increases the demand for raw produce, and does not increase the demand for labour. The supposed fact is, indeed, no fact, as a very cursory consideration of the most familiar phenomena of our manufactures might have convinced him. But supposing it were a fact, how are we to apply the remedy which he advocates, namely, the appropriation by the State of the rents which result from this increased demand for raw produce? Who are the receivers of these rents? Mr. George talks as if they were the English landlords

and the English mine-owners. But this is plainly not so. To preserve the English people from the effects of his supposed law, the persons who must be despoiled of their property are the cotton-growers of the Southern States, the wheat farmers of Canada, the ryots of India, the sheep farmers of Australia, the mine-owners of California and of Spain, the countless producers who, from every country and every clime, pour in their contributions to the vast stream of raw material by which British industry is nourished. This is so now; it will be so even more in the future. If British manufactures are to grow, and grow they must, if a growing population is to be fed, they will be more and more dependent on material supplied from other regions of the earth. England will tend more and more to become a vast mill in which the unfinished products of other nations are worked up into their final shape. What then will be the value of the remedy which Mr. George advances with such serene confidence? The workmen and capitalists of this island will, if his theories be sound, sink under the intolerable burden laid upon their industry; but their oppressors, separated from them by half the globe, far out of the reach of any machinery so feeble as an Act of Parliament, will, it may plausibly be conjectured, decline to relieve their distress by a voluntary contribution from their rents.

Mr. George's diagnosis of the disease under which society suffers is thus erroneous, and were it correct it would disprove the adequacy of his remedy. Let us now for a moment consider this remedy, not on its general or theoretic side, but with reference to the practical advantages it might be expected to confer on us, were it applied in this country at this moment. From such a point of view it presents a comparatively simple problem, one indeed to be solved rather by the rules of arithmetic than by principles drawn from political economy or politics. For as the proposal is simply to distribute the rents now owned by the landlords among the community at large, its merits may be sufficiently estimated by the amount which the community will pocket by the transaction.¹ All we have to do, therefore, is to divide the

¹ I may be permitted to ignore, as either fallacious or insignificant, certain collateral advantages which Mr. George claims for his system.

amount of the plunder by the number of the plunderers, and the quotient will give us the average profit per head of the operation. The number of the plunderers is easily ascertained. It is that of the population of these islands, a little over 35,000,000. But what is the amount of the plunder? What, in other words, is the net annual value of the 'original properties of the soil'? The highest estimates, deserving serious consideration, which I have seen, puts it at a sum not exceeding 75,000,000*l.* My own impression is that it is very much less, and that the proportion which true rent bears to all that is paid to the agricultural landowner under that name, is habitually and greatly overrated. If we conceive the land of this country reduced to the state in which it was when Julius Cæsar landed on our shores; all roads and bridges destroyed which have been made by the enterprise of landlords or out of rates levied on the land; the hedges cut down, the drains pulled up, the fields reduced to the condition of marsh, moor, and forest, from which, by the continuous expenditure of labour and capital, they have been slowly and painfully withdrawn; if at the same time we suppose our great cities and centres of manufactures to remain as they are at present, with all their facilities of intercommunication, of export and of import, unimpaired; the rent which the unoccupied land of England would under such circumstances command, represents the present value of the 'original properties' of its agricultural soil.¹ A precise estimate of what this is may not be very easy to make, but I doubt whether any competent authority would rate it at more than a comparatively insignificant sum. Let us, however, take the outside estimate of 75,000,000*l.* as the true net rent of the United Kingdom, and it is obvious that Mr. George would be able to divide at the rate of about 2*l.* 3*s.* per head per annum among the population. But as this is all to be spent in the reduction of taxation, and as the working classes do not pay nearly as much per head in the form of taxation as the other members of the community, it is manifest that each of them would get very much less than this amount. As a matter of fact they would gain at

¹ See note, p. 366.

the rate of about a penny in the shilling of their income, and that principally in the form of cheapened spirits.

Surely in all the melancholy history of human delusions there never was a contrast more melancholy than that to be observed between the grandeur of the ends which this scheme is to attain, the audacious novelty of its proposed means, and the misery or pettiness of its inevitable results. It starts with the loftiest professions, supported by a semi-religious magnificence of style. To abolish poverty, and with poverty the long train of misery, disease, and crime which follows in its train; to divert to purposes of general use any stream of improvement which might otherwise flow in too restricted channels for the benefit of the few; to vindicate in the region of politics the ways of God to man; these, it must be admitted, are noble aims. The means by which they are to be attained, though they can hardly be described as noble, are certainly wanting neither in courage nor in originality. For it surely requires no small courage to propose that at one stroke a whole class, in number more than a million, in condition for the most part poor, thrifty, and industrious, should be reduced to beggary for no other fault than that of having bought or retained land on the faith of laws and customs which their country shares with every civilised nation in the world. And it is surely no small mark of originality to describe this operation as performed in obedience to the loftiest morality and in defence of the 'inalienable' rights of property. But when from aims and means we turn to results, how great the disenchantment!

If, on the one hand, as every dispassionate observer thinks, the reckless invasion of acknowledged rights contemplated by Mr. George would instantaneously destroy all sense of security, it is inevitable that with security would vanish credit, with credit industry, with industry the prosperity of the community and the very livelihood of the working classes. If, on the other hand, as Mr. George seems to think, his reasoning is so conclusive that all men would quietly acquiesce in the practical application of his scheme, why then society might regenerate itself by the consumption of cheap brandy!

It is a long descent from Mr. George and general confisca-

tion to such humble proposals as valued rents and free sale. But this rapid survey of land controversies would be even more incomplete than it is were all notice of them omitted, though it will probably be sufficient for my purpose to content myself with explaining exactly what they are, without troubling you with many criticisms in addition.

These schemes differ from all those we have hitherto been considering, in the fact that except in the most indirect manner they only affect two classes in the community: the landlords and the tenants. It is true that I have seen a statement by one gentleman to the effect that valued rents (which he seemed to think would be, as they certainly are intended to be, equivalent to lowered rents) might improve the wages of labour, because the farmer could afford to give his men more liberal terms. But it is not necessary that I should remind you, who have practical acquaintance with such matters, that under our present industrial system wages are not regulated in this fashion, and that employers are not in the habit of giving more than they need, or workmen of receiving less than they must.

Assuming then that the interests of no other class are in question, what is there in the relation of landlord and tenant in Great Britain (Ireland I omit for obvious reasons) which makes it expedient that their bargains—and their bargains alone—should be regulated by the State? Do they stand to each other in any peculiar and special relation, different in kind from that which connects any other two sets of persons who respectively own and hire instruments of production? It will be said perhaps that they do stand in such peculiar and special relation; and that there is a solid justification for legal interference, based on the fact that landlords have secured to them by law a monopoly of those ‘original properties of soil’ about which we hear so much. But for our present purpose this consideration, whatever be its general value, is certainly irrelevant.

The worth of every commodity is measured by what it will fetch in the open market, and it is measured by this alone; nor is there anything in the circumstance that a given commodity is limited in amount which makes free competition an unfair means of arriving at its value. To erect, therefore, a rent-court,

or any other legal machinery, for the express purpose of giving the use of 'the original properties of the soil' to the tenant at less than the competition value, is not only of no general advantage, but is morally indefensible; and this, whatever be the view we take of the justice or injustice of private property in land. For it is manifest that if such property be just, we commit an act of the grossest injustice in taking it away from the landlord; while, if it be unjust, we do nothing to remedy that injustice by handing it over to the tenant. If the landlord who has paid for the land has no right to it, the rights of the tenant, who has not paid for it, must be, if possible, even more illusory.

But this is only half the case. An English or Scotch landlord is far from being merely the economic abstraction—an owner of the 'original properties of the soil;' and an English or Scotch farm is much more than so many acres of ground let out to somebody to cultivate. It is a highly elaborated instrument of production, which differs from a cotton mill or a factory, not in the fact that land is an essential part of it—for land is an essential part of all three; but in the fact that the value of the land bears a larger proportion to the value of the whole than it does in the latter cases. A British landlord, therefore, who lets land does, by the very same act, lend capital also; and, let it be remembered, capital usually larger in amount than that of the tenant to whom it is lent. A rent-court is thus nothing more than a legal machine for settling the terms upon which one capitalist shall lend his capital to another; and if such a thing is to be set up in this island, in the nineteenth century, we may well ask why its functions are to be limited to that one particular class of cases in which it is admitted that competition has not been allowed undisputed sway, and are not to be extended to the innumerable cases where it has. Why is the rate of interest which a landlord may claim to be regulated by the State, and that which a bank may charge to be left to be determined by supply and demand? Why are the usury laws not re-enacted? Why are prices not settled by law? And, above all, why is there no tribunal set up to determine the rate of wages?

As regards the propriety of legally establishing the right of a tenant to sell his tenancy to the highest bidder, it is sufficient for me here, concerned as we are only with the land question as it affects important sections of the community, to point out that when no tenant right has previously existed there, unless through the indulgence of the landowner or the action of a rent-court the rent is under the market value, there can be nothing to sell. That where, through either of these causes, there is something to sell, that something belongs in equity to the landlord; and that to confer the right of selling it, even were this equitable, on the tenant could by no possibility benefit any class of the community, present or future, except the existing tenant himself, and that only when he ceased to cultivate his farm! So that it is merely the bare truth to assert that in a country like Britain (again let me say that I make no reference to Ireland) a system of valued rent, fixity of tenure, and free sale of tenancy, would merely be a method of enabling one man to borrow the capital of another at less than the market rate, to use it as long as he pleased, and, when he pleased no longer, to carry off a slice of it in his pocket!

It must not be inferred from the preceding criticisms that I contentedly acquiesce in existing social facts as inevitable, and because inevitable, therefore right. This is not so. But I feel strongly for my own part that the ills, at which we do well to cherish in ourselves a ceaseless discontent, are, speaking generally, likely to be aggravated rather than cured by heroic legislation, and that, in particular, it is absurd to expect any important or salutary change in the condition of our urban population from any mere reconstruction of our land system. Such an expectation seems to imply a distinction between agriculture and manufactures of a kind which I think has no real existence. Wheat growing and stock raising are, after all, forms of industry like cotton spinning and iron smelting, and to suppose that some arbitrary alteration in the arrangements under which men, when left to themselves, produce bread and mutton will confer any special blessing on the men who make grey shirting and pig iron appears to me so paradoxical that

most stringent proof should be required before such a position is accepted.

No such proof has been given. But the question still remains, Is there any alteration in the existing system of agricultural production which, if wisely encouraged, would improve the condition of our rural population? To this question I can myself return no answer which will not seem meagre indeed to those whose conception of what is possible is modelled upon the schemes I have hitherto been examining. But such answer as I can give I would summarise thus: Assuming that the great staples of British agriculture remain unchanged by foreign competition, and that we still continue to produce chiefly corn, meat, and milk, it seems to me certain that large cultivation will remain, and ought to remain, the prevailing method of farming; and this for precisely the same reason that large mills and manufactures have supplanted, and will continue to supplant, the domestic industries once so prevalent, namely, the great economy in production which is thereby obtained. I myself would for many reasons wish that an economic fact which makes it inevitable that the great majority of our populations, both in town and country, should work for weekly wages, were otherwise. But it is not otherwise, and we must make the best of it. Do not, however, let us exaggerate the evil, if evil it be. Do not let us talk any nonsense about the labourer being in a state of 'degrading dependence,' either on the farmer or the landlord. For with the landlord he is as a rule (so far as employment is concerned) in no direct relation at all; and the farmer is quite as often in a state of dependence on him, as he on the farmer. Neither let us forget that the system is quite as likely to work well in the country as in the towns; that, as a matter of fact, it has so far worked well that the condition of the agricultural labourer has been during the last generation one of steady and sometimes of rapid progress, and that, under ordinary circumstances, his condition is not improved, but the reverse, by turning him into a small farmer.

Throughout the greater part of the country I apprehend then that, until co-operation is found practicable, the present system will in its main outline continue unaltered. But in the

neighbourhood of towns, and where market gardening is profitable, I see no reason why peasant holdings and peasant proprietors should not thrive and multiply: and if the present agricultural crisis ends in the substitution of other agricultural products for those which the British farmer has hitherto raised, it is even possible that the market gardening may receive great extension. Those who are not content with this cautious admission, who think that a system of small cultivation is the one to which England would gravitate were it not for the unnatural restrictions which law and custom have laid on the transference of land, I recommend to form a company for buying large farms and turning them into small freeholds. If their theories are correct, this should be a very profitable speculation for the shareholders, and a very beneficial change to their clients. Whatever other difficulties such a scheme may present, I will guarantee that a difficulty in buying enough land to make the experiment on the most magnificent scale will not prove to be one.

The only other suggestion I have to offer relates to the introduction into those parts of the country, where they do not already exist, of holdings of such a size that a working-man, who in the highest paid positions of agricultural industry has saved some money, may take them without undue risk. Farming is at this moment, and contrary to what is often alleged, the industry in which, of all the great productive industries of the country, the lines which separate the capitalist from the labourer are least sharply marked and most easily passed. But no doubt there are many parts of Britain where still further progress could with advantage be made in rendering the passage easier.

A paper which deals with land reform, and in which nothing is said about the size of large landed estates; in which no reference is made to the 2,300 gentlemen who are periodically held up to obloquy for the crime of owning half the United Kingdom, will seem to many here to be a strange anomaly. And, indeed, if I were speaking as a politician, I should be disposed to dilate at great length on the evils which flow from this condition of things: I should speak to you of its political

dangers, and I should dwell upon the apparent strength and the real weakness which the so-called 'landed interest' derives from a system which of all others is the most powerful to provoke envy and the feeblest to resist aggression.

But such a discussion, however interesting, would not, in my judgment, be relevant to the question before us. The existence of rich men may be a good thing in itself, or a bad thing in itself; but if there are to be rich men, it is not worse for the community, but better, that their riches should be invested in the land of their country. It makes indeed but comparatively little difference either to the agricultural labourer or to the farmer whether the fields he tills belong to a man with five hundred a year, or a man with ten thousand. To the artisan in the town it matters still less. But in so far as there is any difference to be discovered, the difference is all in favour of the man with ten thousand a year. It is his estate which will in all probability be the best managed, have on it the most improved cottages, and show the most liberal expenditure in permanent improvements. I am indeed disposed to think, unfashionable though the opinion may be, that our actual system of land tenure, with all its imperfections, is not more imperfect, and is not less adapted to the necessities of society than any other part of our industrial organisation; and that current judgments on it are strangely warped and vitiated by the social, economic, and political prejudices to which I have alluded more than once in the course of this paper. The injustice thus done to one particular class in the community is an evil; but it is not the greatest evil that springs from this reckless polemic. Bad though it is that class should be set against class by the careless, sometimes by the unscrupulous, dissemination of baseless misrepresentations, it is far worse that serious obstacles should be thus thrown in the way of a dispassionate consideration of the real facts with which we have to deal. The most cursory observation of the literature on this subject shows that our land questions are judged by a set of rules apparently specially invented for the purpose of rendering a candid decision impossible. It requires no prophet to tell us that there have been, and are, landlords who are stupid and

selfish : we want to have a specific proof that it is so, for we know that while human nature remains unchanged, a similar accusation may be truly made against a certain proportion of any large body of men taken at random. But when the inference is drawn that a system which permits the existence of such landlords ought to be abolished, we are justified in asking whether selfishness and stupidity are privileges enjoyed in any special measure by a landed class. We require no proof that there have been cases in which landowners have misused their powers. Have employers of labour, have trades unionist leaders, have newspaper editors, have farmers' alliances been invariably guided by the soberest wisdom and moved by the purest benevolence? History is ransacked to find cases in which previous generations of landowners have passed bad laws or evaded good ones; and when such a case is discovered, or is invented, it is supposed to have some important, though unspecified, bearing on the rights of their successors. Have pernicious and selfish laws not been passed in favour of every class in the community? Have not the most pernicious and the most selfish been passed in favour of the manufacturing interests, yet does anyone for an instant suppose that these bygone transactions affect the rights or tarnish the character of existing mill-owners? A large tenant is refused a renewal of his lease, the rent of a small tenant is raised on what are, or what seem to be, insufficient grounds; and the world cries shame! But a joint stock company may turn in one day a thousand families into the streets, to find a refuge in the workhouse or to starve, and not a word of hostile criticism is whispered.

You, who represent here the interests of labour in our large towns, complain, and in some cases complain justly, of the injury done to your cause by the unrestricted play of perfectly free competition. It is for this that you urged the passing of the Ten-hour Bills, Factory legislation, Truck Acts and the like. It is for this that you desire that the question of housing the poor in crowded districts should become a matter of public inquiry and legislation. Before then you form any definite judgment on the practical working of that part of our land system which is most often and most severely criticised, I

would ask you to inquire whether it be not true that the sphere of our national industry in which competition has least been permitted to work evil, in which capital expenditure has least been considered on grounds of unmixed self-interest, in which philanthropic and semi-philanthropic motives in the conduct of business have been allowed their freest scope, has not been that of the management of large landed estates; and whether it has not been found that, within certain limits, the larger the estates have been, the more clearly have these facts appeared? If, as I believe, impartial investigation compels you to answer these questions in the affirmative, I would further ask whether a country of which these things may be asserted, and of which it is also true that it has taken the lead in every great agricultural improvement by which the necessaries of life have been cheapened for mankind, can be reasonably said to suffer under a species of land tenure radically and essentially bad; and if not, whether we need entertain much hope that the improvements which the system may require, will be effected in it by those who approach its consideration with their judgment obscured by any such violent and irrational prepossessions?

NOTE ON THE 'ORIGINAL PROPERTIES' OF THE SOIL.

THERE are still further deductions to be made from the existing causes of what landlords receive under the general name of rent, before we arrive at that *nucleus*, not due to the work of man but to that of nature, which, in the opinion not only of Mr. George but of other and less revolutionary references, the State has a right to deal with in an exceptional manner. In the text I have not supposed the landlord to have any right to that part of the value of his land which is due either to railroads, to ordinary roads (when these were not made out of rates levied on the land), or to any of the other causes which have rendered land more useful, unless those causes were directly set in motion (so to speak) by himself or by his predecessors. I have thus given the landlord credit for the drains he has put down in his farms, but not for the railroad by which their produce may be chiefly conveyed to a profitable market. In this I have conceded too much to Mr. George. It may perhaps be said that though the value conferred upon an estate by a railroad is not one of the original properties of the soil, that neither is it due to the exertions of the owner of that

estate; but that being the consequence of the progress of society, society has a right to deal with it exactly as if it were truly an original property of the soil. But such a principle would lead to very unexpected results. Carried to its logical consequences, it would destroy the title of every shopkeeper to the additional profit he made by the growth of his town, of every manufacturer to the gains which accrued to him through the opening up of new markets, of every railroad to the increase of its dividends arising from the growth of manufacture, population, and commerce. It is superfluous to add that it would absolutely paralyse all industry and all enterprise.

We may be convinced, I think, without going back to Julius Cæsar, and without attempting to isolate the original properties of the soil, that the true, as distinguished from the apparent rent (*i.e.* the rent and interest) of agricultural land is greatly exaggerated, by simply considering what we know to have been expended comparatively recently on making farms. I take, for the sake of clearness, an ordinary East Lothian farm—not alleging that it is necessarily representative of other districts, but because it does fairly represent what is done under the English and Scotch systems of high farming carried to its extreme point. For the benefit of those unacquainted with the Scotch practice, I may mention that the cottages are invariably built at the farm itself, in the position most convenient for the economic application of farm labour, and that they are let or rather lent rent free to the farm labourers.

FARM OF 400 ACRES.

| | | |
|---|---|--------------|
| Cost of buildings to landlord | £ | 5,000 |
| „ fencings „ | | 1,000 |
| „ draining „ | | <u>2,000</u> |
| Total | | 8,000 |

Gross rent of farm (in 1884), 700*l.*

Net rent (*i.e.* after subtracting rates, tithes, and taxes), 630*l.*

The rent, therefore, only pays the landlord 8 per cent. on his capital outlay, less expenses of management, deterioration, and risk. It can hardly be maintained that these three items can be put at less than 3 per cent., considering that in risk is included the chance of new plant being required to meet modifications in the art of agriculture, the chance of the tenant deteriorating the qualities of his farm towards the end of his loan by a mode of treating the soil which may pay him, though it will not pay either the landlord or the community, and the chance that the value of the land may be diminished by foreign competition. It would therefore appear that if

the landlord has a right to get 5 per cent. for his outlay, he gets nothing for the value of the original properties of his land.

It may perhaps be observed, in reply to this, that 5 per cent. is too high a rate at which to capitalise landlords' permanent investments, since, as a matter of fact, they are willing to make permanent improvements for a smaller return. This is true. And why? It is true, because land has hitherto been regarded as the safest of investments, and one on account of which there are special inducements to expend money for other reasons than the mere gain. But if these conditions are to be arbitrarily altered, and the programme of certain land-reformers is to be carried out, according to which land is to become the least secure and the least agreeable form in which property can be held, it will be necessary to revise the acts through which owners can be induced to sink large sums in the improvement of their estates.

How to Cause Wealth to be More Equally Distributed.

BY ALFRED R. WALLACE, LL.D.

'No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, clothe, and lodge the whole body of the people, should have such a share of the produce of their own labour as to be tolerably well fed, clothed, and lodged themselves.'—ADAM SMITH'S *Wealth of Nations* (Book I. chap. viii.).

'More than two-thirds of the inhabitants of Glasgow live in houses of one or two rooms!'—*Scottish Land Restoration League*, Leaflet.

'One-ninth of the inhabitants of London die in workhouses!'—*Forty-second Report of the Registrar-General*.

'In the thirty years, 1849-1878, the wealth of the country has increased full 100 per cent., while the population has increased about 40 per cent.'

THE problem we are met to consider and, if possible, to solve, is to determine what practicable and just changes in our social economy will tend, naturally, to bring about a more equable division of wealth between capitalists and labourers, or perhaps more accurately, between the actual producers of wealth and the rest of the community.

In exchange for the wealth they produce, labourers receive

wages. The higher class of skilled labourers earn sufficient, when in full work, to provide fairly good food and clothing for themselves and their families, but not sufficient to afford them much leisure for intellectual culture and the refinements of existence. But below these there is the vast class of unskilled or little skilled labourers, who, even when in full work, barely earn sufficient to afford them a decent animal subsistence. Both classes are subject to periods of depression, when thousands and scores of thousands of willing labourers are unable to obtain work, and are forced either to live upon their scanty and hard-earned savings, to become paupers, or to starve. To use the language of the political economists, wages ever tend to the minimum necessary to support bare existence; hence the poverty and pauperism of labourers.

Evidently, in order to bring about that more equal distribution of wealth we all desire, two things are necessary: firstly, that the lowest kind of wages shall be raised, permanently, far above the minimum at which it now always stands; and secondly, that willing hands shall always find remunerative work; and this must be done, not by charity, not by individual or local action, but by social rearrangements which will be self-acting and self-sufficing. I firmly believe that such rearrangements are not only possible but comparatively easy, for I hold with Henry George, that at the back of every great social evil will be found a great political wrong. Let us seek out the wrong thing, and fearlessly put it right; and we shall then find that man is not so completely out of harmony with the universe in which he exists that thousands must starve in the midst of plenty, and that the actual producers of wealth in the wealthiest country in the world must continue to live without enjoying a fair and adequate share of the wealth which they create.

In approaching the practical consideration of this great and momentous problem we are at once confronted by a dogma which has full sway over the minds of our economists and public writers, and which in many cases determines legislation. This dogma is that cheapness is a good thing, and is an end in itself; and that when everything or almost everything, including labour, is cheap, the consumers—that is, the entire population—

are benefited all round, and that no one has any right to complain. Some of our public writers refuse to go farther than this, and maintain, implicitly if not explicitly, that to make things cheap is the final outcome of the science of political economy.

As a general statement I venture to assert not only that this is untrue, but that the very opposite statement would be far nearer the truth. Dearness, I maintain, would be a better thing to aim at than cheapness; and I believe that it may be demonstrated that, in our present phase of social progress, high prices of all manufactured goods, and of all the products of human labour, are absolutely essential to a more equable distribution of wealth.

It is a common opinion that a general rise of wages would be of no use to the labourers, because all goods would correspondingly rise in price. Mill, however, states that this is untrue, but that what a general rise of wages really implies is a diminution of profits. He says, 'There is no mode in which capitalists can compensate themselves for a high cost of labour through any action on values or prices. It cannot be prevented from taking its effect in low profits. If the labourers really get more, that is, get the produce of more labour, a smaller percentage must remain for profit. From this law of distribution, resting as it does on a law of arithmetic, there is no escape. The mechanism of exchange and price may hide it from us, but is quite powerless to alter it.'¹

But if the wages of unskilled labour rise without a proportionate rise in that of skilled labour, the labourer will get the fullest benefit from the rise, because most manufactured goods, the produce of skilled labour, will hardly advance at all in price; and it is this increase of the wages of unskilled labour that we especially need in order to abolish those excessive irregularities in the distribution of wealth which now prevail among us.

Another common error in connection with this subject is, that general high wages would so increase the cost of production of all manufactures that we could no longer compete with

¹ Mill's *Political Economy*, Book III. chap. iv. par. 2.

foreign countries. But this also is a delusion. Mill says, 'General low wages never caused any country to undersell its rivals, nor did general high wages ever hinder it from doing so.' And he proceeds to demonstrate this proposition, generally accepted by political economists, at considerable length.¹ Professor Fawcett, if I remember rightly, gives a simpler and clearer demonstration of the same fact by showing that it is not the absolute, but the relative cost of goods that enables the merchant to exchange them advantageously with foreigners. There would always be some goods that we could manufacture at a lower proportionate rate than other countries, and these goods we should continue to export in exchange for such products of those countries as we required. And he concludes by stating the proposition that, with a general rise of prices, we should continue to export the very same goods in the very same quantities as we do now. The idea that our foreign trade would be injured by a general rise of wages and by a corresponding, though not proportionate, rise of prices, is a bugbear not recognised by the teaching of political economy.

We come, therefore, to the difficult problem of how to cause a permanent rise of wages of all kinds, not of skilled labour only, but of unskilled as well, and at the same time to provide that the piteous sight of willing labourers begging for work shall cease to be the ordinary occurrence it is now.

To solve this problem we must first clearly understand why it is that the wages of the great mass of unskilled labourers remain at a minimum, notwithstanding the great and continuous increase of our wealth and productive power. Many crudely imagine that the labourers are too many, and that a decrease of their numbers is the only remedy. But this is not only impracticable, but absurd. Our production of wealth per head of the workers is far greater now than ever it was, yet a large proportion of these workers live in want of the necessaries and comforts of life, and many are in a condition of absolute penury and starvation. What we want is a better distribution of the wealth that is produced. But a diminution of the labourers means a diminution of the wealth produced, not

¹ Mill's *Political Economy*, Book III. chap. xxv. par. 4.

necessarily a better distribution of it. If all who are now compulsorily idle were at work, still more wealth would be produced; and with a better distribution of this increased wealth there would be, not only necessaries, but comforts, pleasures, and intellectual enjoyments for all. But with our present social organisation—an organisation which can only be modified very slowly, as human nature advances in knowledge and morality—the most important mode of distributing wealth among labourers is by means of wages, and we thus come to the very essence of our problem—the cause of the inadequate wages of labour. And this cause is not difficult to find. It has been clearly recognised by many economical writers, and may be thus briefly enunciated:—

Wages are kept down to a minimum by the competition of labourers who have no resource but daily wages to save them from starvation.

Here it is to be well noted that it is not the numbers of the labourers, but their complete dependence on their employers, that is the cause of the low wages. And this dependence rises to a maximum in great cities, where man is completely cut off from all access to the bounties of nature, where not only are there no spontaneous fruits of the earth to stand between him and starvation, but where even sufficient air to breathe and water to drink are only to be had in return for hours of toil. It is a suggestive fact, that, while in great cities the wages of skilled labour are always higher than in the rural districts, because the maximum of skill is there demanded to minister to the pleasures and refinements of the wealthy, unskilled labour is often much worse paid; and we find men, women, and children working long days of sixteen hours for a pittance that barely saves them, and often does not save them, from actual starvation. This terrible fact, which has been clearly established by the recent disclosures as to the condition of the very poor in London and other great cities, must, I believe, be considered to be a necessary result of the existence of such huge cities under our present social and political system, and therefore absolutely incurable by any of the remedies usually suggested. It clearly results from the circumstance that a great city consists mainly

of an enormous population of wage-earners ; and where, owing to fluctuations of trade from any cause whatever, the demand for labour decreases, the workers, having absolutely no resource but daily wages between themselves and starvation, compete for employment at any price and under any conditions. Moreover, in these great cities there is no outlet for the natural increase of the population, and thus year by year the mass of wage-seekers becomes greater, the competition severer, and wages lower.

That this is a necessary consequence of the increase of great cities is proved not only by reasoning, but by many facts. Nowhere in the world, perhaps, do wages sink so low, estimated in purchasing power, as in London ; and there is evidence that they have reached this apparently irreducible minimum by a series of steps parallel with the increase of the population. The well-informed writer of the articles on 'Poor Men's Politics' in the *Daily News*, stated his belief that the earning power of the great mass of the poor of London had for several years been constantly going down, often with startling rapidity. He gave as instances finishing heavy trousers, which four years back were paid for at $2\frac{3}{4}d.$ a pair ; eighteen months back they were reduced to $2\frac{1}{2}d.$, and at the time of writing they were being done at $2\frac{1}{4}d.$ Policemen's overcoats used to be made for $5s.$ They were at time of writing being made for $2s. 6d.$ Fifteen or sixteen years ago matchbox makers used to get $7\frac{1}{2}d.$ a gross, and the price has since been falling year by year, till it has come down to $2\frac{1}{4}d.$ In other trades, as that of turners and dockyard labourers, though the daily wages are the same, or may even have increased, the difficulty of finding employment has greatly increased, so that large numbers of men only get two or three days' work per week. And when we add to this that rents, even of the most miserable rooms, have been increasing for many years, we have before us the upper and the nether millstones between which the poor are ground. The question of dwellings, however, to which many worthy people seem to think the whole problem is limited, is a mere symptom ; it is the question of work and wages that is the fundamental one. As the writer already quoted well says, 'Sweep away every rookery to-morrow,

and put the people into decent houses, and make them all sober and industrious, and you have by that very success immensely increased the tremendous pressure of competition in the labour market. It is here the difficulty lies, and here it must be faced. Do all that, and we shall still go round into the homes of the people and find that they are being driven to crime and suicide for want of work, or else they are working fourteen, fifteen, and sixteen hours a day for wages that they cannot live upon.' And yet this huge, overgrown city is having added to it every year as many houses and people as there are in the whole of the large town of Brighton, thus increasing the vast, unmanageable mass of those who must live by daily wages or starve, and tending ever to increase that fierce competition for work which is the source of their miserable condition. It follows, then, that no solution of our problem can be the true one which does not comprehend and deal with the question of great cities—which does not afford an outlet for their congested populations to the rural districts.

Let us then turn to these districts, and see what is going on there.

And first we are met with the startling fact, that while our towns are almost all overcrowded, our rural, and especially our agricultural districts are becoming depopulated. This phenomenon is so amazing, and so vitally connected with our problem, that we must examine it somewhat carefully, both as to the fact itself and as to the causes which lead to it.

The diminution of the population of counties was first observed in 1861, when two, Cambridgeshire and Rutlandshire, had decreased since 1851, and Huntingdonshire and Brecknockshire had been almost stationary. In 1871 *four counties* had decreased; while in 1881 the decrease had extended to *thirteen counties*. Nine other counties increased less than 2 per cent. each, and this increase is no doubt wholly due to that of the towns. In Norfolk, for instance, I find that the increase of Norwich is greater than that of the whole county; and as Yarmouth and many other towns have also increased considerably, the population of the rural districts must have largely diminished. Again, eight more counties have increased less

than 10 per cent., and in most of these the towns will account for the increase, while the purely rural districts are stationary or decreasing. In Lincolnshire, for example, where the increase is 8 per cent., half the divisions of the county show a decrease; so that in thirty counties—nearly two-thirds of England and Wales—the population of the exclusively rural districts is diminishing. Again, agricultural labourers decreased 10 per cent. between 1871 and 1881. The land, too, is going out of cultivation, more than a million acres less arable land being returned in 1884 than in 1873. This turning of arable into pasture is a serious thing, for it implies a great diminution of human food. The most eminent agriculturists have estimated that only five men could live on the animal food produced by 100 acres of average pasture, while no less than 250 men could live on the vegetable food from 100 acres of average arable land.¹ In Ireland the deterioration is still more alarming. Mr. Sullivan states that the agricultural returns show that land under crops has diminished during the last twenty years by 1,200,000 acres, land under grass has diminished nearly half as much, while bog and waste land have proportionally increased!

Every one who travels about our country with observant eyes will be struck by the entire absence of growth in almost all the villages of the agricultural counties. The general rule is that the village remains altogether stationary, and bears in its whole aspect the appearance of stagnation. The houses almost all date from the last century, or if newer, it can be seen from their situation and surroundings that they occupy the place of some older house. These villages are often delightfully picturesque, and charm the eye of the artist; but they should really fill us with sadness, for they exhibit to us the very source and origin of that teeming mass of wretchedness and want which pervades our overcrowded cities. It may be thought that this is too great a result to come from such an apparently

¹ Mr. R. Scott Burn and Dr. Charles Hunter are authorities for these figures, 250 men being supported on 100 acres of wheat, 683 men on the same area of potatoes; while Mr. W. R. Greg has calculated that it requires twenty-two acres of pasture to support one man living on meat alone

insignificant cause; but we must remember that there are about 10,000 rural parishes in England and Wales, each of which contains a village, and many of them several hamlets besides, and that any agency which not only keeps the populations of these places stationary, but causes them actually to diminish, while the population of the whole country is rapidly increasing, is fully adequate to produce the effects imputed to it.

This most abnormal and injurious state of things—the compulsory diversion of the natural increase of population from the country to the towns—is directly traceable to the action of the great body of landowners, who have not thought it either their interest or their duty to provide for, or even to permit, the natural growth of the villages and hamlets of our land. That this is the one and only cause can be proved by an overwhelming mass of evidence, of which I can now only adduce a few examples.

Mr. John Bright, in his speech at Rochdale, on his seventieth birthday, told his hearers that the young people in the rural districts were leaving their parishes in which they were born, and emigrating to the large towns, in hopes of bettering their condition; the reason being that ‘*our landed system cuts off the labourer almost entirely from the possibility of becoming either a tenant or an owner of land.*’ For ‘*landed system*’ it would be more correct to say ‘the custom and will of our landowners,’ for they certainly have the power to let the people have land if they had the will.

In Mr. F. G. Heath’s *Peasant Life in the West of England* we have the statement of a correspondent from Wiltshire: ‘It seems to be the design of landed proprietors to have as few people as possible on their estates;’ while a Devonshire correspondent writes, ‘This village at one time could boast of having wheelwrights, blacksmiths, machinists’ shops, and a stay factory; and numbers of waggons, carts, ploughs, harrows, and other implements were made here. But all this is changed now, and the work which these things represented is gone to other places.’ And light is thrown on the immediate cause of such changes by Mr. Thomas Hardy, who knows English rural

life as well as any man living. In his article on the 'Dorsetshire Labourer,' in *Longman's Magazine*, he says, 'A depopulation is going on which in some quarters is really alarming. Villages used to contain, in addition to the agricultural inhabitants, an interesting and better informed class, ranking distinctly above these—the blacksmith, the carpenter, the shoemaker, the small higgler, the shopkeeper, together with nondescript workers other than farm labourers, who had remained in the houses where they were born. Many of these families had been life-holders, who built at their own expense the cottages they occupied, and as the lives dropped and the property fell in, would have been glad to remain as tenants of the owner. But the policy of all but some few philanthropic landowners is, to disapprove of these petty tenants who are not in the estate's employ, and to pull down each cottage as it falls in, leaving sufficient for the use of the farmers' men and no more. The occupants, who formed the backbone of the village life, have to seek refuge in the towns.' He then speaks of the suffering this causes to people who love their native place in a way town people cannot understand; and he adds this suggestive remark: 'This process, which is designated by statisticians "the tendency of the rural population towards the large towns," is really the tendency of water to flow uphill—when forced!'

And this is no new process, but has been going on for at least a century. Arthur Young described the operation of the old Poor Law as causing, universally, 'an open war against cottages;' and that this practice was not given up under the new Poor Law is proved by the First Report of the Commission on Women and Children employed in Agriculture (1865), which gave numerous details of parishes and estates of 2,000 acres with one or two cottages only, or sometimes none at all. Sir George Grey, writing in 1869, says, 'Whether the labourer shall have house-room on the land he helps to till, whether the house-room he gets shall be human or swinish, whether he shall have the garden ground that so vastly lessens the pressure of his poverty—all this does not depend upon his willingness and ability to pay a reasonable rent, but depends on the use which

others may see fit to make of their "right to do what they like with their own." And he goes on to state that in innumerable parishes houses are pulled down till a 'model village' is produced, 'in which none but those who are needed as shepherds, gardeners, or gamekeepers are allowed to live.'

But, coming down again to our own day, we have Mr. William Saunders writing to the *Daily News* from Wiltshire, that there are, close by him, thousands of acres of the best land in England lying uncultivated, as it has lain for years, because the landlord will only let it in large farms and on terms that tenants will not accept. As a consequence the labourers' cottages are closed, and the former occupants are in London, adding to the tremendous congestion there. (*D. N.*, Oct. 29, 1883?)

One more witness I will call, the Rev. Stopford Brooke, a man who left the Church and the certainty of high preferment for conscience' sake, and has now devoted himself to work among the poor, and who, in a remarkable sermon on December 9 last, gives us the whole history of one of the units of the crowd of victims who are crushed under the wheels of the Juggernaut of landlordism. He says:—

I often used to meet, when I was a curate at Kensington, families drifting into London along the Hammersmith road. One day there came along a labourer and his wife, his son and two daughters. Their family had lived for a long time on an estate in the country, and managed, with the help of the common land and their labour, to get on. But the time came when the common was encroached upon, and their labour was not needed on the estate, and they were quietly turned out of their cottage. Where should they go? Of course to London, where work was thought to be plentiful. They had a little savings, and they thought they could get two decent rooms to live in. But the inexorable land question met them in London. They tried the decent courts for lodgings, and found that two rooms would cost 10s. a week. Food was dear and bad, water was bad, and in a short time their health suffered. Work was hard to get, and its wage was so low that they were soon in debt. They became more ill and more despairing with the poisonous surroundings, the darkness, and the long hours of work; and they were driven forth to seek a cheaper lodging. They found it in a court I knew well, a hotbed of crime and nameless horrors. In this they got

a single room at a cruel rent, and work was more difficult for them to get now, as they came from a place of such bad repute, and they fell into the hands of those who sweat the last drop out of man, and woman, and child, for wages which are the food only of despair. And the darkness and the dirt, the bad food and the sickness, and the want of water, were worse than before; and the crowding and the companionship of the court robbed them of the last shreds of self-respect. Then the drink demon seized upon them. Of course there was a public-house at both ends of the court. There they fled, one and all, for shelter, and warmth, and society, and forgetfulness. And they came out in deeper debt, with inflamed senses and burning brains, and with an unsatisfied craving for drink they would do anything to satiate. And in a few months the father was in prison, the wife dying, the son a criminal, and the daughters on the streets.

And the preacher truly adds—

Multiply this history by half a million, and you will be beneath the truth.

In the two classes of facts I have now set briefly before you—the compulsory depopulation of the country districts, and the over-population of the towns, with the consequent crowded tenements, competition wages, misery, starvation, and crime—we see cause and effect clearly in action. And when we remember the countless attractions of a rural life, and the almost invariable affection of the settled countryman for his native place, we may be sure that it *is* compulsion that drives men away from it. Joseph Arch tells us that the labourer's dream is '*to secure his homestead to himself.*' Let us render this dream a reality, and we shall, I believe, have solved the great problem we have before us. And surely it is no such great thing to do—no such terrible and unimaginable monstrosity—that every English working-man should be able to secure a sufficient plot of his native soil on fair terms, to live and work and die on!

Almost every one who now writes on the subject, be he Tory, Whig, or Radical, admits that every labourer should have a plot of land, that it would be an immense benefit to himself and to the whole community; and they admit that labourers eagerly long for it, and are both willing and able to pay a fair price for it; but none of them ever propose any means of enabling him

to have it, much less give him a right to claim it; and not one in a thousand ever rises above the idea of allotments as the one thing needful. Even so late as October last, and from such a Radical as Sir Charles Dilke, an increase of allotments was the only suggestion for the labourers' benefit! It is necessary, therefore, to say a word or two on this matter.

Allotments, I venture to say, are the very worst mode of utilising land for the labourer, and from our point of view absolutely useless. Can their advocates be aware that Mill, in his *Political Economy*,¹ condemns them absolutely as tending to keep down wages, so that, if general, they would *not* benefit the labourer? But apart from this they are bad, because (1) they are always too small; (2) they are almost always let at a higher rent than the farmer pays for the same land, often twice, sometimes six, or even ten times as much! (3) they are always let on a yearly tenure, and therefore cannot be permanently improved; (4) they are always at a greater or less distance from the labourer's dwelling, and he cannot therefore utilise all his spare time and that of his family, or apply his house sewage and refuse to them; (5) being unenclosed, he cannot keep pigs or poultry on them, or even cultivate any choice crops. For these reasons I consider the allotment system absolutely condemned so far as any real and permanent elevation of the labourer is concerned; yet the fact that even under these cruelly disadvantageous conditions they are sought after, and so cultivated that a considerable profit is made from them, indicates what would be the result had these men a sufficient plot of land on which to live, at a fair rent and on a secure tenure. From evidence given before the 'Women's and Children's Employment Commission' in 1868, it was proved that cottagers obtained a return from such allotments of 16*l.* an acre above the ordinary farm rent, and it was estimated that if every agricultural labourer above twenty years of age possessed half-acre or quarter-acre allotments, the annual value of the produce would be between three and four millions of pounds. What, then, would be the value of the produce if they had one or two acre plots on which to live permanently? It may be safely stated

¹ Book II. chap. xii. par. 4.

that such plots would be made to produce more than double the amount per acre of the allotments; and if a labourer can cultivate in overtime a quarter or half-acre allotment, often at half a mile or more from his cottage, he could cultivate with greater ease an acre or even two acres of garden land at his own door, since he could utilise every quarter-hour, every five minutes even, of spare time, which otherwise would be wasted; he would save the time and labour of walking to and from his allotment, which in the aggregate must be often nearly as great as the time and labour bestowed upon it; besides which, numerous half-hours and spare minutes would be devoted to it by his wife and children, which under the allotment system are necessarily wasted.

As an example of what can be done, take the case of the Annandale Estate in Dumfriesshire, where, as Mr. Brodrick¹ tells us,—

Leases of twenty-one years were offered at ordinary farm rents to deserving labourers, carefully selected for their character, who built their own cottages, at a cost to themselves varying from 21*l.* to 40*l.*, exclusive of labour, while the landlord supplied timber, stone, &c., at a cost of about 22*l.* These houses were not grouped in villages, but chiefly situated along roads, with plots of from two to six acres attached to each, or the addition of grass for a cow. All the work for these little farms was done at by-hours and by members of the family, the cottager buying roots from the farmer, and producing in return milk, butter, and pork, besides rearing calves. Among such peasant farmers pauperism soon ceased to exist, and many of them soon bettered themselves in life. It was also particularly observed that habits of marketing and the constant demands on thrift and forethought brought out new virtues and powers in the wives. In fact, the moral effects of the system in fostering industry, sobriety, and contentment were described as no less satisfactory than its economical success.

Again, the same writer tells us that on several estates in Cheshire it is the practice to let plots of land ranging from two and a half to three and a half acres with each cottage at an ordinary farm rent. This practice, which is but the revival of a custom once almost universal amongst the peasantry of England,

¹ *English Land and English Landlords*, p. 237.

is found to be fraught with manifold advantages. The most obvious of these is an abundant supply of milk for the farm labourers' children, who in many districts grow up without tasting the natural diet of childhood. But the habits of thrift and forethought encouraged by cowkeeping and dairying, on however small a scale, constitute a moral advantage of great importance. On Lord Tollemache's estate in Cheshire, where the system has been long established and carefully managed, its results have been eminently beneficial, and attended by none of the drawbacks so often magnified into insuperable difficulties by the opponents of cottage farming.

Of course the amount of land required and the use it was put to would vary according to the soil and local circumstances. Sometimes fruit would be grown, sometimes vegetables; in some cases pig-feeding or poultry-keeping would be most advantageous; and that even wheat may be grown by labourers better than by farmers was shown by the Rev. W. C. Stubbs, in Buckinghamshire, who let out his glebe to labourers in half-acre allotments, and they produced more than one and a half times as much wheat as the surrounding farmers, and actually a higher average than the great experimental farmer, Mr. Lawes!¹

The general success and great advantages of occupying ownership, whether of small plots or of good-sized farms, have been demonstrated by an overwhelming mass of evidence in most European countries. The celebrated Arthur Young, from his personal observations, deduced the now celebrated axiom, 'The magic of property turns land into gold;' though, as he himself elsewhere shows, and as all economists are aware, it is not 'property,' but 'secure possession,' which has the magical effect. Hence Arthur Young's second axiom, 'Give a man *secure possession* of a bleak rock, and he will turn it into a garden; give him a nine years' lease of a garden, and he will convert it into a desert.' So that we may be sure that the best examples of what peasant farms can show under a few benevolent landlords, by no means come up to the effects that would be produced by *secure occupying ownership*.

¹ *The Land and the Labourers*, by Rev. C. W. Stubbs, M.A., Vicar of Granborough. W. Swan Sonnenschein & Co. 1884.

But the most important thing we have now to consider is that, along with the well-being, independence, and comfort which the secure possession of a plot of land gives to a labourer, a general rise of wages is sure to follow so soon as the system becomes at all general. In his remarkable work, *Six Centuries of Work and Wages*, Prof. Thorold Rogers states as an undisputed fact that, 'in a country of small agricultural proprietors, hired labour is always absolutely and relatively dearer;' and it evidently must be so, for the labourer is no longer dependent, day by day and week by week, on wages as his only safeguard against starvation. Not only does he at once become a small capitalist, but he has the means of labouring profitably for himself if equally profitable or more profitable work is not offered him. For the first time in our modern era the labourer, when the land is open to him, will be in a condition to make a really 'free contract' with his employer. He will not, as now, be forced to accept the bare subsistence wages offered him or starve; and, accordingly, wages will rise, and will approach if they do not ever quite reach their natural standard—the whole produce which a labourer, having free access to land, can raise from it.

Here, then, we have a real solution of the problem before us, because not only will the possession of land benefit the labourers who possess it, but, by raising the rate of wages of unskilled labour, and therefore of all labour, it will benefit to an almost equal extent those who do not possess it. Let us then, before pointing out the exact means by which this great reform can be brought about, consider a few of the objections usually brought against any measure for giving to the people at large that which in individual cases is invariably beneficial to themselves and to the community. Mr. Jefferies, in his amusing and suggestive work, *Hodge and his Masters*, gives several examples of labourers who tried to live on three or four acres of land, and who almost all failed. But this was to be expected. They had too much to supplement wages, too little to live on. These failures will soon right themselves when men can have land in any quantities that may suit their circumstances. Another labourer mentioned by Mr. Jefferies took thirty acres of

land at 3*l.* an acre, for which a farmer had just before paid 30*s.* an acre, and he failed! No wonder. But it is not so certain that he would have failed if he had paid 30*s.*, and had had the land on a perpetual tenure at that rent. Then say others, 'If the labourer has land he will be too independent, and will not work.' That objection is answered by every experiment which has yet been tried. Besides, it is no objection. We want them to be independent. We want them to refuse to work for starvation wages—and that is mostly what the objectors mean; but for adequate wages they are and will ever be the best of workers, and they will be always on the spot, attached to the land, and ready to aid in its cultivation. Let us listen to another of Mr. Jefferies' sayings about 'Hodge:': 'The settled agricultural labourer, of all others, has the least inducement to strike or leave his work. The longer he can stay in one place the better for him in many ways. His fruit-trees which he planted years ago are coming to perfection, and bear sufficient fruit in good years not only for food, but to bring him in a good sum of hard cash. The soil of the garden, long manured and dug, is twice as fertile as when he first disturbed the earth. The hedges have grown high and kept off the bitter wind. In short, the place is home, and he sits under his own vine and his own fig tree. It is not to his advantage to leave this and go miles away.'

And this was written, remember, of a yearly tenancy, with all its disadvantages and uncertainties! How much more forcibly does every word of it apply when the home thus created is the man's own, and he feels as secure and independent in it as the parson in his glebe or the squire in his hall.

Another objection is, that we want to get people away from the overcrowded towns, and these people would starve if put upon land in the country. But it is forgotten that the overcrowding of towns is due very largely to the influx of countrymen for the last ten or twenty years; and it is certain that were land now open to them in their native parishes, numbers of these would return to take advantage of it. And if at first only those who had saved a little money went back, these would decrease the competition among those who remained, and before

many years had passed I venture to say that a considerable proportion of the countrymen who have been forced into towns would find their way back again to the country.

Again, it is objected, capital is required to farm on however small a scale, and how are the labourers to obtain it? This is the weakest of all objections. Labour creates capital, and it is certain that nothing induces the labourer to save like the prospect of being thereby enabled to secure land and 'a home-stead of his very own.' In my opinion nothing is so likely to make peasant farming a failure as any scheme to enable peasants to borrow capital with which to commence. They would then begin work on a scale to which they had not been accustomed, they would not have learnt by experience the innumerable economies and details of management which alone make farming a success, and in many cases they would soon fall hopelessly into debt. I ask for the labourer, not charity or loans, but fair opportunity and equal justice. Let him always begin on a small scale, with an acre of land to occupy his overtime and the spare hours of his family. When this succeeds, and he has saved a little capital or built a cottage, let him, if he wishes, have an acre more. The few who show exceptional skill, and industry, and thrift, and who save money enough to stock a small farm, of say ten or fifteen acres, should be able to obtain such a farm, always paying for it the fair agricultural rent, but having it on a secure—practically on a perpetual tenure.¹

In order to bring about this great system of free occupying ownership, which would certainly raise wages over the whole country and thus greatly diminish pauperism, while the increased production of food and elevation of the labourers would do more to renovate trade than any extension of foreign markets, we have only to give the labourer and the public generally the benefit of that principle which the Legislature always applies in the case of great industrial undertakings—viz.

¹ In a small tract, *How to Experiment in Land Nationalisation*, I have shown how such farms may be advantageously created on Crown Land, Corporation Estates, and Commons; while the beneficial results of such peasant-farms are exhibited by illustrative cases given in a book on *Land Nationalisation, its Necessity and its Aims*, and, more fully, in the works of Mill, Kay, Thornton Brodrick, Howitt, Laing, Laveleye, and Sismondi.

empower land to be taken for the purpose, whenever required, at a fair valuation.

Without attempting to dictate any special method of doing this as being exclusively the right one, I will sketch out a mode of proceeding which appears to me at once simple and practical, reducing officialism to a minimum, and giving the fullest play to local authority.

After enacting that, in order that the maximum amount of labour may be expended on the land, and the greatest amount of produce be obtained from it, every British subject of adult age may (once only) claim a portion of land for personal occupation, at a fair rent and on a secure tenure; the vestry or other local authority in every rural parish will be directed to appoint annually four men of knowledge and integrity to act as land assessors, two of them to be chosen from the class of farmers, and two from that of labourers. Any labourer or other person wanting a plot of land for personal occupation shall send in a form of notice (to be obtained gratis at the post office) to the person then occupying the land desired to be taken, naming the assessor chosen to represent him, and requesting the said occupier to name an assessor as his representative, and to fix a day for them all to meet upon the land in question and settle the matter. Each party will thereupon state his wishes and objections, and the assessors will decide—(1) the exact site of the plot of land to be allotted; (2) its quantity; (3) the annual rent to be paid for it on the basis of the average rental paid for similar land on the same farm or in the immediate neighbourhood; (4) the amount of compensation due to the present occupier for unexhausted improvements upon the plot of land in question. If the two assessors are unable to agree upon any of these points, the clergyman of the parish is to act as umpire, and to give a final decision, unless the vestry have appointed a special umpire to act in all such cases. A fixed fee (say 10s. each) to be paid the assessors for each award. Their decision to be inserted in a reference book kept for the purpose by the umpire, and the plot to be marked out on the ground and on the parish copy of Ordnance map by the district surveyor. The rents of all such plots may be collected by the rate-collector of the district, and

the amount, less a small percentage for collection, paid to the landowner.

Certain general principles would be laid down for the guidance of the assessors, subject to which the greatest possible freedom should be allowed in the choice of land, since no one can decide the situation and quality of land most useful to a labourer or mechanic so well as the man who is to occupy it and make it his home. The chief limitations necessary would be, that all pieces thus allotted should be ordinary agricultural land adjoining some public highway, and that they should not be granted very near to an existing farmhouse or other dwelling, if the occupier or owner thereof has any valid objection, and if land equally suitable can be had a little further away. Any trade or occupation constituting a nuisance might also be forbidden. The usual size of the lots at first granted should be one acre, with a frontage to the road about half, and not less than one-third the depth, but lots of two or more acres up to five might be taken, if special reasons existed why such lots would be more useful to the applicant. The amount assessed as compensation for improvements would have to be paid before entering on the land, and the rent should be collected half-yearly. The assessor's fees should be paid out of the rates, on the ground that every labourer thus settled on the land would be an insurance against pauperism, and in many ways a benefit to the whole community. The holdings would be perpetual so long as the rent was paid; and the rents would be fixed for, say, thirty-three years, and then only raised if the general agricultural rent of the locality had risen, and in the same proportion. The actual occupier of the land would be responsible for the rent, and no subtenancy or mortgage on the land would be valid, but the right of occupancy might be transferred, bequeathed or sold with the house or other improvements, just as an improved leasehold or copyhold may be transferred now. Under this arrangement the tenant would have the most perfect security for all his improvements and the full enjoyment of all the products of his labour, while the landlord would have his rent amply secured and regularly paid, and would, moreover, receive whatever 'unearned increment' might accrue to the land from social development

until such time as this unearned increment, in the case of all land whatever, is taken by the State for the benefit of those who create it, or until complete nationalisation of all land is effected. On this point my own opinions are well known, but the great question we are now discussing cannot wait for so vast and so radical a change in public opinion as is necessary to bring it about. But by the method now advocated no attack whatever is made on private property in land, and no new principle is introduced. Every petty branch railway, even if calculated only to put money into the pockets of promoters, lawyers, engineers, and land speculators, has powers given it of compulsorily taking land; and we only ask that the same power may be granted to the people at large in order to bring about a more healthy and natural distribution of the population, and a greater and more varied production from the soil.

There is absolutely no difference of opinion as to this being a good thing in itself, but no one has yet ventured to point out how it may be brought about—not here and there on isolated patches of charity lands, nor on estates purchased by land associations for the purpose, and which, besides being miserably inadequate, would almost certainly fail—but over the whole length and breadth of the country, enabling every labourer to have his acre of land, and his home near to his native village, or to the farm on which he labours, and affording to every man who has been obliged to leave his native place the opportunity of returning to it under new and happier auspices. And this can all be done without taking away any man's property, or interfering with his legal and equitable rights, without any loans or advances of public money, without calling to our aid the obstructive powers of a single commissioner at a salary of 5,000*l.* a year, or requiring the expenditure of a yard of red tape, or the assistance of a single lawyer in any part of the operation. Moreover, the plan would ensure its own success by its selective action on the men who would benefit by it. A little money would be required to pay for the improvements and to secure payment of the first half-year's rent, and this would ensure that only the industrious and thrifty labourers would first take land, and these would be certain to convert even

the barrenest acres into fertile gardens. In order to have more land, a man must have saved more money; and if it is objected that it is not the already well-to-do, but the miserable and the starving that we want to get on to the land, the reply is, that the only sure and permanently successful way to get them there is to let those who are better off and more experienced go first; for by their going the fierce competition for work will be lessened, wages will rise, those who were out of work or on starvation wages will find their condition improved; and having in the now bright future the glad vision of a 'homestead of their own,' many will work and save until they too can join their friends in the old native village, and end their lives amid the scenes of their early youth.

One of the objections often made against any proposal to raise general wages is that, if better off, the poor will multiply more rapidly, will thus increase competition for work, and soon become as bad off as before. But there never was a more superficial or a more unfounded objection than this, since the universal testimony of all inquirers is, that by improving the status of the labourer, and raising his standard of comfort, you increase his morality and delay the period of marriage. When a 'homestead of his own' is within reach of every young labourer by a few years of industry and self-denial, and when in every part of the country many have attained to it, no decent country girl will marry a man who has not secured it; and thus the period of marriage will be put off, at first two or three, and soon, as wages and the standard of comfort rise, perhaps four or five years. Now this will check the increase of population in two distinct ways. By delaying the average period of marriage, say, five years, the average length of each generation is increased to that extent, and the time required to double the population is greatly lengthened. Even, therefore, if the average productiveness of such marriages remained the same, the mere later marriage-period would materially check the rate of increase. But Mr. Francis Galton¹ has shown, by a careful series of observations among healthy country families, that a delay of the age of marriage from 17 to 22 diminishes the average

¹ *Inquiries into Human Faculty*, p. 320. 1883.

fertility of such marriages in the proportion of 6 to 5. Combining these two effects together, there will be a very considerable diminution of the rate of increase, an object of great importance in itself, but rendered doubly important when it is brought about by an increase of material well-being, and an elevation at once in the social and moral status of society.

Another objection will no doubt be made to these proposals in the form of the time-honoured dogma—‘You cannot abolish poverty by Act of Parliament;’ and with extreme inconsistency the fierce opponents of *laissez-faire* as a general doctrine will uphold it now, and ask to have the relations of the land and the people ‘let alone.’ But I, who am an upholder of the true doctrine of *laissez-faire*, am quite ready to agree that Parliament can do little or nothing by positive compulsory enactments, by ordering people to do this and not to do that, by limiting their freedom to work and live as they please within the limits of equal freedom to others. But when an Act of Parliament is a great liberating act, when it strikes the shackles from the slave and sets him free to labour for himself, when it throws down the artificial and immoral barriers that have long kept willing arms from labouring on their native soil, when it enables the thousands who have been driven from the country to the overcrowded towns to return again to the scenes of their youth, and secures to every industrious labourer the possession of a fair share of the wealth which he creates, such an Act is almost unlimited in its power of doing good to suffering humanity.

Here, then, is my solution of the problem of the unequal distribution of wealth that prevails among us. I have traced it to its roots in the power which one part of the community is allowed to possess of forbidding to all the rest the free use of their native soil. This is the great political injustice which, as I anticipated would be the case, is the fundamental cause of the widespread poverty in the midst of our abounding wealth, and of almost all the crying evils of our complex society. Like all injustice in the primary relations of man and man, its evil influence is universal in its range and appalling in its amount.

It permeates our whole civilisation, and so contaminates it that all the powers of nature which during the past century science has enlisted in our service, have intensified, rather than diminished, the sum of human labour; and have done so little to improve the condition of our labourers, that one in fifteen of our whole population and one in nine of the population of our capital city actually die in union workhouses! And this can represent only a fraction, probably a small fraction, of the pauperism in our midst!

Briefly to sum up: I claim for the proposal now made—

(1) That it goes to the very root of the matter, since by rendering a large number of labourers less dependent on daily wages as their only means of obtaining food, it would immediately and necessarily raise the standard of wages; and this is absolutely the only means (except charity pure and simple) by which the labouring classes may at once be enabled more fully to share in the products of industry.

(2) It does this in the simplest conceivable way, by throwing down the barriers which now prevent labour from flowing over the land.

(3) It would enable every labourer, by industry and thrift, to realise his highest aspiration—‘a homestead of his own.’

(4) It would largely increase the food-supply of the country, especially in dairy-produce, poultry, fruit, and vegetables, now to the amount of thirty-eight millions annually imported from abroad.

(5) It would, by a self-acting gradual process, withdraw the congested populations of the towns back to the rural districts from which they have so largely come; and would at the same time benefit those who remained by both raising their wages and lowering their rents.

(6) It would completely settle both the Irish and the Highland land questions, by satisfying the just claims of the labourers and cottiers in one country, and the crofters in the other; and would open up to human industry extensive areas of both countries, once cultivated, but now devoted exclusively to cattle, sheep, or game.

(7) It would also bring about a great moral reform, since all

experience proves that the possession of land on a secure tenure is the best incentive to sobriety, industry, and thrift.

(8) And, lastly, all this can be effected without any financial operation or increased taxation, and with no greater interference with landed property than is allowed to many of the speculations of capitalists of far less general utility.

I therefore confidently submit to this Conference that the object we all have at heart may be best attained by taking the necessary steps to instruct the working classes, and especially the two and a half millions of labourers who are now enfranchised, as to the only means, at once effectual and equitable, by which they may more fully share in the products of industry. It will then be in their power to return representatives who will give effect to their just demands, to the extent and in the manner here indicated, and thus, in all probability, save our country from a social revolution which may bring misery and ruin to thousands, and whose end, whether for good or evil, it is impossible to foresee.

Land Nationalisation.

BY EMERITUS PROFESSOR F. W. NEWMAN, of the Land Nationalisation Society.

THE Society for Land Nationalisation, under the belief that every step it can gain in its own direction conduces to your interest, conceived the desire to address you; and, believing that you kindly assent, requested me, who am one of their Vice-Presidents, to draw up a statement which might roughly express their thought. Living on the west coast of England, I cannot write as one who conveys to you the very words of our Executive, from whom distance separates me; yet I hope I shall in no important matter fail of executing the task which they lay on me.

A very large, an undesirably large, fraction of English workmen live by wages, whether as labourers on the soil or as mechanics; and your question (I understand) is, How may

wages be kept from falling? or how, when possible and reasonable, may their rise be insured? In trying to throw light on this question, I beg leave to state previously (in my own name, for into this topic our Land Nationalisation Society cannot enter), that unless a workman has learnt how to spend money well, I could not congratulate him on a rise of wages. In my conviction his first business is to spend his wages justly, giving to his wife (if he have a wife) the wages due to her as his housemaid and cook and nurse of his children, before he spends a penny on his own mere indulgence. If he spend on intoxicating drink and on tobacco, it very often happens that the higher wages he gets the worse is his own condition, and the more unjust he is to his wife and children. Bear with me in saying this much by parenthesis.

Now, what causes make wages rise and sustain their rise? Two causes must be named; first, the prosperity of employers, which enables them to pay more to the employed, and induces them to desire extending their business by increasing the number of their workmen; secondly, the deficiency of men eager for employment, and through destitution willing to work for the existing wage or even for something lower. Whatever makes employers richer and compete with one another for workmen, tends to raise wages. This is too evident to need proof. Abundance of capital and good markets for the masters, on the one hand, and on the other a slack supply of destitute men looking for employment, tend to high wages. On each of these topics there is much for you to consider.

If I address town workmen I need not ask whether wages are not lowered by an influx of rustic lads. Notoriously the rural acres do not support their new births. The population of towns increases rapidly and unfairly by country people streaming in. When a town-capitalist, like the late Alderman Méchi, betakes himself to high-farming, he spends largely on every acre and needs four or five men where only one sufficed before. If high-farming were at all general, this would arrest the influx of countrymen to the towns and the beating down of wages by their competition. Notoriously our soil is undercultivated; there ought to be a vast expenditure of capital upon

it. English capital abounds. In order to find investments for it, it is largely sent abroad, and the Chancellor of the Exchequer is now hoping to reduce the 3 per cents. to $2\frac{1}{2}$; such is the glut of capital. Why is it not spent on the soil? Because of the unjust power of landlords, also because of the crippling of landlords themselves by entail, by mortgages, and by family settlements. Here I can only treat of the landlords' power. The law is the same in the three kingdoms: the Irish landlord has only the same legal power as the English landlord, and Mr. Gladstone has avowed that in Ireland the landlords have been appropriating to themselves the fruit of the tenants' industry. In England and Scotland no tenant who spends freely on the soil has any security that here, any more than in Ireland, he will be able to avoid the confiscation of his natural and moral rights by the landlord. In Scotland most painful warnings have been given to tenants how dangerous is high-farming. Landlords are less and less able to get tenants to risk large capital, and even to accept farms on a common scale at existing rents. Farmers and landlords also, into whose hands farms are thrown, change arable land into pasture, in order to manage with fewer hands; thus, worse than ever, driving countrymen into the towns. A still more monstrous and unendurable practice seems to be on the increase—that of turning the cultivated region into a wilderness, a deer park, from which they calculate on a sporting rent from rich men who will pay more than a farmer's rent. This process ejects nearly all the human population, and, instead of supplying food to the nation and 'soldiers to the king,' according to a landlord's feudal duty, floods the towns with men and bids us buy food from abroad.

Political economists for fifty years and more have trumpeted the superiority of large farms held under landlords, have cast contempt and reproof on small freeholders, often indeed confounding them with Irish cottiers in a common condemnation. But the small properties of France, Belgium, and the Channel Islands have opened the eyes of many: large farms under a landlord are less and less possible: small properties in which the same man is landlord and cultivator are now more and

more wished for. If this system were actively promoted, we know from the experience of the Channel Islands that our land could sustain a far larger rural population, and, after feeding it, send more food to the town markets than it now sends. This also would arrest the influx of country competitors for town wages; but this also is a system at present impossible, partly from the unwillingness of landlords, partly because entails embarrass them. Thus the mismanagement of the English soil, as a result of our evil law of land tenure, draws after it a competition which beats down town wages.

Our Society, which aims at recovering the land for the State (that is, for the nation as a community, not for the Executive authority), if its programme were fully carried out would abolish the landlord entirely, and substitute occupying cultivators holding under the State and owning, not the soil itself, but whatever has been added to the soil by human industry. But obviously time is necessary to explain to our millions a scheme so new and to attain the support necessary. Our earnest desire is already to move in the right direction, to propagate truth, and forbid the establishment of erroneous principles in any efforts to remedy the evils which cannot be denied. In the Bill of Mr. Jesse Collings for commencing the Parliamentary establishment of small free proprietors we rejoice. Every step in that direction thrusts the landlords' power back, and begins a process of keeping rustics at home. But while our Executive goes on annexing fresh and fresh territory to the empire, they will spend many millions annually on army and navy, and many a ten millions on war upon war. Without wholly new principles they will go on, grudging half a million to establish an English independent peasantry, while they spend twenty millions on Imperial ambition. Your voices are wanted to insist that home interests shall be made paramount over Imperialism, and that our taxes shall be spent for the benefit of our people at home; also that a short, sharp, effective stop shall be put to deer parks and the expulsion of human population. Besides, we wish to warn you against the false and mischievous doctrine which strives to obliterate the legal distinction between land and movable property. For a moment I speak for

myself (not for our Society) in insisting that a limit ought to be set, and a severe one, at the earliest possible date, to the quantity of land of which an individual may be lord. Five hundred acres of rural land, one acre of town land, seem to me enough for one man. But our Society distinctly disavows the doctrine that land ought to be freely saleable like railway scrip. Land being necessary to human life, the landlord never can justly be the owner, he is only the chief; but others always have rights in the land as well as he. Anyone may own a stick, or a coat, or a book, for the test of ownership is that he may destroy the article without injuring anyone. But if a landlord could destroy his land by letting in the sea upon it, he would have no right so to do, plainly for the reason just given, that right in the land belongs to others as well as to the lord. Unless you, who are the most numerous class, learn clearly and insist on this cardinal distinction of land, forbidding it rightly to be called property of an individual, there is much danger that the mercantile class will (under pretence of reform) introduce new mischiefs. Their rich men are eager to buy up large estates, and pretend that to ease this process is a great reform.

Workmen in the country must be well aware how hard it is for a peasant, however industrious, intelligent, and virtuous, ever to rise into a higher position. His wages are artificially kept down by the power of the landlord to sponge the farmer, so that any prosperity of the farmer, instead of raising the peasants, is liable to be drained off by the landlord. But even if a peasant received a large legacy, he would seldom be able to buy a freehold with it. The aim of our Society is to establish a state of things in which small independent plots of land shall be procurable everywhere.

So much I have said on one side of the topic from which I started. I go back to remark that while the retention of rustic folk in the country is one matter to be studied by you, it is evil to forget the other side of the question: How may your employers be enriched and be able to pay higher wages? If they pine and droop they will at last close their works, sacrifice their fixed capital, and transfer the rest to some foreign soil,

and then those of you who called capital your enemy would learn too late that it was your best friend. But what now undermines the prosperity of so many employers? Foreign competition. Since 1848 a great change has passed over the European continent, politically and commercially: the great American Republic also has made mighty strides. Foreign manufacturers now supply very many markets and practically supersede British goods. England has overvalued her foreign trade and undervalued her home trade. Our manufacturers cannot hope for much prosperity until the mass of our people are the chief purchasers of their goods. An immense impetus will be given when of the 150 millions annually spent in intoxicating drink, 130 millions at least are spent on useful articles. Besides, if small dairy farms, fruit farms, poultry farms are multiplied through peasant freeholds, the rural districts will be an ever-growing market, far more valuable to our great industries than distant markets can be, and evidently more secure. Nor shall we need half or a quarter of what we receive from America in solid food. *Wheat* alone we shall always be glad to receive largely, because our climate is less favourable for it; but if we are again to have any high prosperity, imported food must become, as of old, the exception, and the bulk of our provisions be home-grown. To attain this end also you must aid us in restricting and abolishing the landlords' power.

DISCUSSION.

Mr. J. E. WILLIAMS (Social Democratic Federation) said he rejoiced that that sitting would be occupied by a fair fight between the socialist party on the one side and the individualist party on the other. The combatants should be forced to declare themselves one thing or the other; and Mr. Balfour and Mr. Wallace ought to make their choice between joining either the socialist or the individualist camp. For himself he maintained that we must sweep away both the landlords and the capitalist party, because the nationalisation of the land alone would not benefit the people. He and his friends the socialists, therefore, were determined to have a 'go' at both these classes of robbers. He would ask Mr. Wallace to consider very seriously whether, if we left all the machinery, all the railways, all large factories, and all the mines of the country in the hands of the

rich capitalists, the working classes would still continue to be oppressed. We must either say that the Government had no right to interfere with anything, or we must admit that the socialists were right in declaring that the State must equally interfere between the landlord and the capitalist on the one hand, and the labourer on the other. The Tory and the Liberal parties were fast dying out. The Radicals were the men who to-day stood in the way of reform, and thus reminded him of Dickens' *Oliver Twist*. In *Oliver Twist* there was a character known as the 'Artful Dodger,' who first stole a pocket-handkerchief, and then diverted attention from himself by raising a hue and cry after *Oliver Twist*. The Radical to-day was the 'Artful Dodger' (great laughter), who went up and down this country telling the people to take hold of the landlord thief, but to let the greater thief, the capitalist, go scot-free. (Laughter.) Instances were numerous where socialistic laws had been strenuously opposed by the Radical party, but no reform had ever, he affirmed, been carried in the interest of workers which had not been socialistic in its character. The Factories Acts, for example, were passed to curb the power and restrain the greed of the capitalist class, though strenuously opposed by John Bright. Then there was the Adulteration Act, and while this was before the House again John Bright opposed it, and declared that if such a measure was passed he would go from one end of England to the other advising the middle classes to leave the country. Would that he had done so, and that they had left the country! for we could well spare them; but the measure had to be passed, in spite of the opposition of John Bright; for it was plainly seen that such was the greed of the capitalist class that they did not mind poisoning the people for the sake of profit. Again, there was the Mines Regulation Act. This was passed to save the lives of the men who by their labour created the wealth that was taken by the capitalist class. The robbery involved in landlordism was more palpable to the sight. We readily saw the injury done to the people when land was left uncultivated, but we did not so easily discern the robbery committed by the capitalist class, who were very artful, and plundered the people every hour of their lives, though the victims might not always know of it. The machinery of our factories was to-day used against the labourers instead of being used in their interest. Take, for instance, a strike that took place in the lace trade at Long Eaton, Nottingham. The men and women struck against a reduction in wages. The masters declared that if the workers would not give in they would remove the whole of the machinery to Glasgow, and they did remove part of it. In a socialistic community the master would not have been allowed to move

the machinery, and therefore it would not have been used to make the workers work for a starvation rate of wages. This was but one of many instances where machinery was used to the detriment of the workers. Socialists declared that the present rotten system, therefore, could only be got rid of by sweeping away both landlords and capitalists. Being met with a remonstrance from a delegate against his attack on classes, Mr. Williams retorted that his interrupter felt probably more tenderly towards capitalists than towards landlords. He was vehemently insisting that there must be no half-and-half reform, and no shrinking, on account of any cry about raising class hatreds, from denouncing the men who made the workers suffer, when he was warned by the Chair that his allotted time had expired, and left the platform amidst loud cheering.

Mr. GEORGE BERNARD SHAW (Fabian Society) said he was not quite clear as to what was meant by the phrase 'distribution of land' in the question before the Conference; he could only suppose that it meant the division of the land by hedges, fences, and the like. He was not practically acquainted with farming, but he had observed, whilst walking through the country, that agricultural operations consisted largely in dragging heavy implements, such as ploughs and harrows, to and fro through the fields. It seemed a matter of simple arithmetic that the smaller the field was, the oftener the plough had to be turned, and consequently the longer and more laborious the operation of ploughing. The late Professor Fawcett had stated that a steam cultivator could plough one field of ten acres in two-thirds of the time and at half the expense of ploughing two fields of five acres each. Consequently, subdivision of the land, as advocated by Professor Wallace, would impair the production of wealth and the welfare of the community when the wheat supply and other cereal crops had to be raised. On the other hand, in the case of kitchen-gardens and fruit-gardens, which were pleasant appendages to dwellings and needed no ploughing, subdivision was probably an advantage. Garden palings took up little room, did no harm, and concentrated the attention of the cultivator on his plot. Farming, then, should be co-operative, whilst kitchen-gardening might be left to individual enterprise. The advisability of a more general distribution of the land, in the sense of subdivision, evidently depended on circumstances: the real question at issue was one of access to the land. All the land of the country being now in the hands of a class, the people were practically slaves of that class. If the capital and the land were put under the management of State officials, whose tenure of their offices depended on their doing their work satisfactorily, he believed it would be quite as well managed as by private

enterprise. This was shown by the present working of the Post Office, which was efficient because any shortcomings would inconvenience the public, especially the ruling classes, and would be at once visited upon the officials. The inefficiency of the Admiralty and other Government departments was due to the fact that, as the public did not directly suffer by it, and as those who did would injure their prospects of promotion by complaining, the officials had no interest in doing their business well, and were so far from being ashamed of doing it badly, that they were actually in the habit of citing their own incompetence as an example of the danger of entrusting the management of any business whatever to the State. It should, however, be borne in mind that a servant of the State did not mean a man paid by the Government. Every useful worker was a servant of the State, which is properly the whole community. It might seem far-fetched to many persons to call a grocer a State servant, though he certainly was one, but perhaps the instance of a member of Parliament's private secretary might seem less strained: such a secretary was not paid by the Government; but if his employer became premier, the services of the secretary were sometimes rewarded by the State with a peerage. On the general question of the welfare of the community no reasonable defence could be advanced of the existence of any class that consumed the product of the national industry without rendering any service to the nation in return. It was the desire of the President that nothing should be said that might give pain to particular classes. He was about to refer to a modern class—the burglars; but if there was a burglar present, he begged him to believe that he cast no reflection upon his profession (laughter), and that he was not unmindful of his great skill and enterprise; his risks—so much greater than those of the most speculative capitalist, extending as they did to risk of liberty and life (laughter); his abstinence; or, finally, of the great number of people to whom he gave employment, including criminal attorneys, policemen, turnkeys, gaolers, builders of gaols, and, it might be, the hangman. He did not wish to hurt the feelings of shareholders, who drew interest year after year, and, if they sold out, expected to get the original investment back again, or of landlords, who did nothing for the rents they received, any more than he wished to pain the burglars. He would merely point out that all three inflicted on the community an injury of precisely the same nature (laughter). We must stop this state of things before we could reform our present condition. It would be said that to expropriate the landlord and capitalist would be unjust, immoral, confiscation, and so forth; but the truth was that it was absolutely immoral to allow them any

longer to confiscate daily the labour of others for whom they did nothing. Political economists, who were supposed to understand these things, would render a service if they would state the laws of rent and interest in their true light, as relations between one man and another, instead of obscuring the matter by stating the law of rent as a relation between one piece of land which pays rent and another piece which does not pay rent, and the law of wages as a relation between the normal rate of wages in one trade and the normal rate in another, thereby producing a law which is true, but which obscures the ethical aspect of the case by concealing the immoral relation between the worker and the employer who exploits his labour.

Mr. LOWNDES (Liberty and Property Defence League) said that he desired to accentuate the remarks of Mr. Williams as to the necessity for making clear the issue that there was no room in the future for the mere State socialist, that the fight lay between individualists and socialists pure and simple. If the challenge were accepted, they were prepared to fight the matter out thoroughly on the individualist basis. The individualist movement was not confined, as Mr. Williams had suggested, to capitalists and to those who had something to lose. So strongly was the individualist movement taken up by the working classes that, on the idea of a club being mooted yesterday, over a hundred *bond fide* working men had sent in their names as members. (A Voice: How much whisky do you give them?) All along there had been considerable difficulty in discussing social questions, because socialists had been divided into so many camps that you never knew what doctrine you might have to face. It would be better if they would formulate the principles for which they were prepared to fight. Mr. Williams was willing to take advantage of the ground gained by the State socialists in the Education Acts and the Factory Acts. Individualists did not desire to go back to the bad old times antecedent to the Factory Acts, but they believed that the disappearance of the evils which the Acts were intended to remedy, and which they had the credit of having remedied, was not due to the Factory Acts, but was due to the improved moral sense of the community. (Bosh!) Harriet Martineau declared at the time of the passing of the Acts that the evils complained of were diminishing. Individualists believed that if the Acts were repealed, and if offences were left to the common law of the country and public opinion, and to the agents and officials appointed by employers and workers, things would be in a far better condition than they are now. (No, no.) As an Irishman, and one who had enthusiastically approved the Irish Land Act, his knowledge of the

country led him to declare that the only persons who had benefited by the Act were the small money-lenders. It was not until Ireland was on the brink of revolution that we consented to this departure from economic laws. If the result was what he had stated, we ought to pause before we meddled further with settled institutions. Experience proved that the Adulteration Act did not secure us pure food; and if the common law were properly enforced, it would be sufficient to prevent adulteration without extraneous and extraordinary measures. So far as individualism had been tried, tested by results it had done all its warmest advocates could desire. But it had not yet received a fair trial, and was only just struggling into the area of freedom. It was said that socialism had not been tried, but individualism had been tried, and nowhere had it been found wanting. We had been improving year by year; we were better fed, housed, clothed, and educated. Individualism and freedom of contract had drained and fertilised this country, and covered it with a network of railways, and had covered every sea with ships bearing the English flag. Let it be shown, on the other side, what socialism had done. Having had the opportunity of testing the pulse of the working classes in London during the last three years, he believed that, although socialism had tainted them in some degree, it had not altered the conviction of the great majority that it was utterly inadmissible.

Mr. JOHN WILSON (Durham Miners) said it was a happy accident that he was called upon to follow the last speaker, because he was in entire antagonism to what Mr. Lowndes called freedom of contract. The reason was that he had received so much benefit as a miner from unionism and from State legislation. As no one would call a flock of sheep bad because there was a diseased one among them, so no one could say that working-men supported the Liberty and Property Defence League simply because 100 men had given in their names as members of a club. In Durham there were 60,000 men in and about the mines, and Mr. Lowndes would have hard work if he went from Barnard Castle to Sunderland, and from Darlington to Gateshead, to find one man who would approve of his doctrine. (A Voice: John Bryce.) He did not belong to the miners' union; he was turned out of office because he lent himself to the Liberty and Property Defence League; and John Pringle, his coadjutor, had to fly to America to find a place to live in. What did freedom of contract mean? There could not be freedom of contract between himself and a man of six feet and sixteen stone in weight, or between a highwayman with a pistol in his hand and himself unarmed, or between a capitalist and a workman dependent upon his day's toil for his day's

living. He did not ask that the law should step in, and as with a knife divide the 1,000*l.* of the capitalist and give him a share. As by the force of co-operation, and by the power of their unions, miners had worked their way to the advantageous position they now held, so in the future they would work at their social amelioration by their own efforts. Mr. Lowndes appeared to think that individualism operating thus, and the instincts of humanity, would have brought about the results attributed to the Factory Acts. As one who went down the pit at an early age, before the passing of the Mines Acts, who had to pick up what learning he could get after working twelve and fourteen hours a day in the pit, and who often fell asleep when trying to educate himself, he could only ask, if the instincts of humanity were capable of doing what was claimed for them, why they did not shorten the working hours of lads before those instincts were quickened by the passing of the Acts? There might be a time in the future when, as Mr. Spencer said, the moral sense would be educated to such a tone that it would give every man his right; but that time was not yet. Until that time arrived we must shape the moral sense, and make statutes to guard the weak through the strong arm of the law against those who could not protect themselves. Whatever might be said about individualism, unionism had enabled them in the north to work out a large amount of amelioration, and had brought to them a large amount of benefit. There was an aspect of the land question which had a special interest for miners, and that was connected with royalty rents. If there was anything that called for interference it was these rents. If Mr. L. Bell had drawn specific attention to facts that had been made known in the *Northern Echo*, which was no mean authority on the question, he would have rendered useful service. It was said that in 1883, in the Cleveland district, 400,000*l.* were paid in royalty rents to landlords. Workmen and capitalists were contending with each other, one for greater profits, and the other for higher wages; but they might join to bring about a reduction or the abolition of royalty rents. If the 400,000*l.* drawn last year were divided between capitalists and workmen, it would have gone far to prevent the distress now prevailing in Durham. He was treasurer of the Durham Miners' Union, which week after week had been giving 8*s.* or 9*s.* to 600 or 700 men out of employment, who were thus, by the benevolence of their fellow-workmen, kept off the poor rate. If this 400,000*l.* were divided between employers and workmen, in place of destitution there might be prosperity. What right had the landlord to the mineral? Did he place it there? It was placed there by an All-wise Providence for the benefit of the entire people, and it belonged to no single man. One way to divide

more equitably the wealth of this country was to let the land of the country belong to the people of the country. He was a land nationaliser. The only true and righteous way of settling the land question was to place the land in the hands of the nation. As Mr. Shaw, of the Fabian Society, said, the land could be managed as well and as profitably by State officials as by individuals. ('Better.') There ought to be only one landlord, the people, and all the benefit ought to go to them. If it did they would feel the burdens of taxation less, and their real wages, and not their money wages merely, would be permanently raised. (Applause.)

Mr. R. ROWLAND (North Yorkshire and Cleveland Miners) said they had been told they must be either individualists or socialists pure and simple, but he claimed to be a composition of both. There was much that the State could do for a man, but there was far more that he could do for himself; and what a man could do for himself the State ought not to do for him. It was not possible to make the people of this country wise, or virtuous, or good by Act of Parliament. Any improvement of the people, if it was to be permanent, must come from themselves. All that was asked of the State was that it should remove all hindrances to their advancement, and give all a fair field and no favour. If the individualists and the socialists would go into the North of England and study the institutions there established, both would be converted. His main object in rising was to express his conviction of the intense importance of the land question. Other causes might have contributed to bring about the present depression of trade, and the consequent suffering and misery by which they were surrounded; but the greatest cause was the iniquitous system of land tenure with which the nation was cursed. It was a burning shame that there should be thousands of men, honest and industrious, anxious to work for their families and to give their children a fair start in life, that were utterly unable to do it because they could not find work; and yet there were hundreds of thousands of acres of land lying idle that might be cultivated at a profit. The only use it was being put to was to provide game for a few persons who cared more for pleasure than they did for the welfare of the toiling masses who were starving for want of the food that the land ought to produce. All were agreed that the present land laws did not tend to increase the prosperity of the country; even the most bigoted advocate of the present system would not say that of them. As for land nationalisation, he did not see his way clear to that. He did not object on account of what were called the rights of property. Property had rights, and it was their duty to recognise them; but above the rights of property there was the right of the people to be-

fed. Whatever system of land tenure would best promote that right was the system we ought to try to get introduced. He objected to land nationalisation because he believed it was false in principle, and would be injurious in action. We ought to compel the cultivation of all land that can be cultivated with profit. The State ought to say to every individual possessing land that was not usefully employed, whether it were 5 acres or 5,000 acres, 'This land has been given by the Creator for the good of the people; and, unless you are prepared to cultivate it, or in some other way make it as useful as possible, we are prepared to give it to some one who will.' We wanted fixity of tenure, and not year to year tenancies. The transfer of land ought to be made easy and cheap. And, speaking generally, our land laws ought to be so amended that they would tend to promote the prosperity of the people, and that the land might add to our wealth all that it was capable of producing. Until this desirable result was achieved he hoped none of them would cease to agitate.

The Rev. H. SOLLY (Artisans' Technical Association) said there was no doubt, as had been already urged, that the want of technical education had a great deal to do with remuneration for labour, and with the lack of continuity in employment. But we could not get any thorough technical education unless we dealt thoroughly and fairly with its apprenticeship question. We must have an effective apprenticeship system, with indentures pledging the master to see that the apprentice attended technical classes and examinations, if we were to have efficient technical training for our artisans. Notwithstanding all that had been said and done about overcrowding in towns, there did not yet seem to be any general perception of the folly of undertaking to build houses for the working classes on land that cost from 1*l.* to 4*l.* a yard in London, instead of on land worth only from 15*l.* to 30*l.* an acre within forty miles of London. Existing evils, both in town and country, could be to a large extent remedied by housing the working classes in the country; and therefore the public were being asked to support an effort to establish industrial villages, on such portions of land as could be got on moderate terms, and where the residents could be surrounded with all needful appliances both for work and for recreation. More than fifty years ago the experiment was tried with success in Holland, and in former times village communities were an important unit in national life. Land was to be got now in all directions at a cheap price. In Essex 60,000 acres were overgrown with weeds. There were seven miles of farms north of Cambridge to let. Landlords by scores were having to take farms into their own hands. Mr. Saunders had told them what the Wiltshire labourer said he could do if he could only get ten acres of land to

cultivate. Many other witnesses told the same tale. Hence the cultivation of land would be made the basis of the scheme he advocated, but it was not made the basis of livelihood. Many domestic industries could be carried on in connection with the cultivation of the soil, such as lace-making, straw-plaiting, stocking-knitting, basket-making, &c., which could not furnish a livelihood by themselves, but would be a valuable supplement to the family earnings. And, *vice versa*, a man whose chief occupation was sedentary, as tailor, shoemaker, &c., would find the cultivation of a garden or allotment ground useful in both a pecuniary and sanitary point of view. Then, again, many industries, now carried on in large towns, might be as profitably conducted in village factories, to the great advantage, moral and physical, of the workers, in well-ordered, healthful village communities. In whatever way we judiciously helped people to get out of the towns on to the land, we should vastly improve their condition; but plans for this purpose might be mischievous unless they were carried out under proper covenants and arrangements. It would, for instance, be fatal to the welfare of the working classes if they were to have the land for cultivation as freeholds. But they must indeed have continuity of tenure and absolute security for the fruit of their exertions so long as they did their duty by the land. There must also be stringent provisions against overcrowding in the dwellings and subdivisions of the land, as well as security against the size of each village being increased beyond a certain limit. Otherwise all the old evils would come over again. Ample provision must also be made for rational recreation both in summer and winter. The Society he referred to aimed at directing capital into this channel, and getting houses built upon land suitable for cultivation and under the above conditions. In like manner, good drainage, water supply, and ventilation would be well looked after. In this way it was believed we might relieve the overcrowding of London and of the larger towns, while at the same time we removed much of the distress of the agricultural districts. The prospectus of the Society was being distributed in the hall, and further information could be obtained at the office, 12 Southampton Street, Strand.

Mr. ROBERT TAYLOR (Secretary, Assington Agricultural Association) said that the question engaging attention had reference to the cultivation of the land of the country, and he hoped some practical result would follow these deliberations. Over fifty years ago the late Mr. John Gurdon, a large landed proprietor, of Assington, Suffolk, desirous of improving the condition of some agricultural labourers, not only allowed them several acres of land rent-free for cultivation, but also some capital to work the same free of interest; and it is

gratifying to know that the men not only succeeded in their undertaking, but repaid the advances and hired the land, and that they or their successors have carried it on to this day, though no profits have been divided during the past five or six depressing agricultural years. In 1853 Mr. Gurdon let twenty-five other men have a second farm of 105 acres; they subscribed 87*l.* 10*s.* between them, and the landlord lent them 400*l.* free of interest; he preparing certain rules, amongst them being one that all the shares should be of equal value, that the profits should be equally divided, and that as far as possible members should be employed on the farm to the number required. Subsequently other lands were added, a few new shares allotted, and the loan paid off. The subscribed capital in 1872 amounted to 142*l.* 10*s.*, and the holding to 223 acres. The total profit on the working for thirty years exceeded 3,000*l.* Unfortunately no provision had been made in the rules for a reserve fund to meet bad seasons or adverse markets, so that in 1883 the shareholders of the second venture found the want of capital was ruining their prospects, and they appealed for advice and pecuniary assistance to get in their crops to a society in London of which he was one of the honorary secretaries, viz. the Guild of Co-operators. This body suggested, after getting full particulars of their position, that the society should be wound up and a new one formed on a proper basis, labour taking its share of profits, with a capital of 2,500*l.* in 1*l.* shares, and registered under the Industrial and Provident Societies Act. This has been done, and after every liability of the old shareholders had been met, a balance remained equal to about 17*l.* for each 3*l.* 10*s.* share; but during the height of their prosperity the shares had obtained a money value of over 50*l.* each. Mr. Taylor continued: We have been carrying on the farm for a short year, and, as anticipated, have lost a little money, partly because our share list is 800*l.* short of requirements, all preachers not being practisers. All classes of sympathisers with the agricultural labourer are to be found in the subscription list, from the Marquis of Ripon, whose cheque for one hundred shares reached me whilst his lordship was yet in India, to the humble village labourer or member of distributive co-operative stores, who apply the profits received upon their purchases to the productive element of the movement. One of the latter class, from Reading, says, 'We are neglecting agriculture by keeping back its "life-blood," capital; and we are thereby surely undermining the foundation of our national prosperity.' The farming association at Assington is doing good in many ways, notably by cultivating the land in the interest of the landlord; secondly, in giving employment to ten heads of families, or say a population of fifty souls; and thirdly, the prosperity of the village harness-

maker, shoeing-smith, implement-maker, and other trades is promoted. Such being the case for a small quantity of land, what might not be done with the 70,000 acres now out of cultivation in the county of Essex alone, if the question were grappled with firmly by the capitalist or the philanthropist? My own opinion is that our large towns and cities would speedily lose the agricultural portion of their population who have been unduly competing in the labour market, to the advantage of nobody in particular, but to the great harm of those whose services they have displaced. Then, I trust, we shall hear no more of the sad realities depicted by the Rev. Stopford Brooke in the paper read this morning by Dr. Wallace, of the labourer, his wife, his son, and two daughters, who had drifted into London after being turned out of their cottage-home in the country. Work being bad, he says they each went from bad to worse, and in a few months the father was in prison, the wife dying, the son a criminal, and the daughters on the streets. Pray let us do our best to bring about a better state of things. England has not only the land, but sufficient capital profitably to work it; the question is engaging the attention of many of the distributive co-operative societies, who have thousands of surplus capital they are at their wits' end what to do with, though many, I may add, have given a helping hand to my own association; and I trust the outcome of this Conference will put tens of thousands of acres of land again under cultivation, to the mutual advantage of everybody connected with so great an industry. (Applause.)

Mr. DAVID HOLMES (Northern Counties Weavers) said he was forced to the conclusion that there was a good deal more to be said by some one upon the land question. There was a total absence of information in the paper of Professor Newman as to the method and the machinery by which he would transfer land and nationalise it. This was an important part of the business, because if you were to take the land unceremoniously, that would not be for the good of the greatest number. He could have wished that Mr. Williams would have drawn a distinction between the right to personal property and the right to property in land. He would respect as scrupulously as any one the rights of a man in artificial property, in anything he could by law remove; but the land was another kind of property entirely. It was national. It was not amenable to the laws of supply and demand. You could not make it less or more. You could not increase it, whatever demand you might make upon it. It was there before the owners were born, and it would be there after they were gone. Did the advocates of individualism seriously contend that the working population were to be kept in their present position, and that the unearned increment was to continue to go into the pockets of

private individuals?—this great increase that was taking place, not from any efforts of theirs, but from the operation of natural law and the increasing demands made upon it by a growing population. The unearned increment due to this cause ought not to belong to any one man or to a particular class. There was no escaping from this, and in a general way he would say the sooner we set about effecting a change in the land laws the better. In a period of twenty years our population had increased by 7,000,000, and our agricultural labouring population had decreased by 300,000. We had 7,000,000 more mouths to feed, and 300,000 fewer cultivators to feed them. In these circumstances fair traders would have difficulty in persuading us to put any tax on the importation of food. Whilst this increase of population went on, and the cultivation of the land declined, there must be a flow of the unemployed from the agricultural districts to the industrial districts, thus flooding the labour market. It was certain agricultural labourers did not want to be thus driven from their homes, and experience showed they would not leave them if they could possibly help it, and certainly not to put up with privation in the towns. The people were driven into the urban districts against their will because they could not find the means of subsistence. The unearned increment went into the pockets of a few, and this was the profit-lifting which grinds down wages. He would ask Professor Newman to lay before them some scheme by which he would transfer land from its present owners to the State.

Major CRAIGIE (Local Taxation Committee) said it was necessary that some one having a tolerably intimate acquaintance with the conditions of agriculture should say a few words in reply to the hypothesis on which several papers proceeded, that it would be a great advantage and would result in increased production were we to cut up and redistribute land of this country in small and minute portions. He could not find that either the experience of English or foreign farming, or the laws that were known to regulate the question of production, gave any ground for the belief that by this remodelling and reducing of our agricultural units we should increase the food supply of this country. On the contrary, we should decrease it. By abandoning the system of agriculture on a mixed scale which now obtained in England, embracing both large and small farms, each in suitable districts, we should lessen the result to the community as a whole. Which of all peoples in the world were the poorest? Those that depended most entirely upon the cultivation of the land. The larger the percentage of any people engaged in agriculture the poorer the community. Think of the miserable culture of peasants on the many million farms of India, with the poorest of all cultivation and the

smallest production, ground down as peasants without capital of their own must be by the money-lender, and producing on their five-acre plots some $9\frac{1}{4}$ bushels of wheat to the acre to our 28 or 30! Could any country be named that produced anything like so large an amount per acre as England did all round? There was no country in which the cultivation of the soil could obtain, as by our system of landlord and tenant he could obtain here, a loan of capital at $2\frac{1}{2}$ or 3 per cent. This he could do in England owing to the system of tenure whereby the cultivator paid rent for his land without having to lock up his capital in its purchase. If the land was ever to be violently taken from one set of owners without compensation, and handed as a free gift to the new cultivators, how was it proposed they should get the working capital requisite for cultivation? He denied that the land they were talking so much about was properly described as a natural product. In the sense in which we knew it, and in which they meant it to be redistributed, it was not a simple but a composite and an artificial production. It had been made fit for cultivation only by a large expenditure of capital on roads, drains, fences, houses, tillage. To deny this was to ignore the facts of the case. What the land would have been without this expenditure might be seen in some parts of the Highlands, or the West of Ireland, or in the prairies of America. The value of land was virtually created by the added capital. ('Labour.') It did not increase in value without capital and labour being expended upon it. Most certainly land so improved was an artificial production, and you could not deal with rent as anything but a composite payment, whereof interest on capital sunk was a large and material factor. The heavy taxation of land in England was one great reason why the old peasant proprietary, the class of yeomen, had so nearly disappeared; they were overwhelmed by exceptional and grinding taxes, which fell most heavily upon the small owners. Land could certainly not be profitably cultivated, at all events in small holdings, so long as it was severely, inequitably, and unjustly taxed. If we wished to increase the number of small owners—and he for one would not be sorry to see that if it were practicable—we must reduce that most impolitic and absurd tax upon the production of home-grown food which we now impose by our mode of levying rates upon the land. These taxes were little thought of because it was imagined they fell only on a particular class of persons, who were fancied to be wealthy and able to bear the burden. But there were still, it should not be forgotten, as many as 300,000 landowners in the United Kingdom, of whom not two-thirds owned 10 acres apiece, and four-fifths were owners of estates under 100 acres. Our present taxation of land prevented capital being placed in the soil to raise

food for the sustentation of the country. We could not, he felt sure, raise the food supply by simply cutting up the land of England in five and ten-acre plots; the country that did that would be certain to become a poor and retrograding country: but if we wanted gradually to encourage the holding of land by a larger number of small owners than at present, we must lighten the taxation which the land now bears.

Mr. BALL (Agricultural Labourers' Union) said that the paper of Mr. Balfour appeared to require more consideration than it was likely to get. If he had been trained in the same school as Mr. Balfour, he might perhaps have written a paper on similar lines; but if he had been educated like Mr. Balfour, and yet trained as an agricultural labourer, he could not possibly have done so. Undoubtedly he had made a clever apology for things as they are, and an able defence of the existing land system. Mr. Balfour appeared to say on behalf of the landlords, 'The land is ours; we are the landlords; we are your landlords, and there are no better on the earth.' The last speaker had referred to the capital necessary to improve the land; but where did the capital first come from to do it? The most ancient employment was the cultivation of land; how was it, then, that capital was so much glorified and labour so much ignored? (Applause.) As he understood, capital was the product of labour—so much over and above what labour required for its present necessities. If so, then labour was the mother of all wealth, and he claimed for labour a much better share than had yet been given her. Mr. Balfour spoke of the necessity for encouraging the application of capital to the soil. It might be advantageous to inquire what it was that had promoted the accumulation of land in the hands of a few large proprietors. If you swept away every privilege that had been claimed by owners, if you gave to landed property no more privilege, nor power, nor influence than other capital receives, there would not be so much eagerness to keep up these large estates. It was well known that small holders had been bought out, frequently at enormous prices, in order to clear small holders away, so that the boundaries of the lordship might include every inch of land within them; and much of the land now paying no interest, on account of the high price it had cost, had absorbed capital thus invested—not invested for the benefit of the masses of the people, but to glorify and satisfy the ambition of a landowner. He had been able to purchase it because he had had plenty of spare wealth to purchase it with, out of rents received from other land. It was said that our landlords had spent more upon permanent improvements than the landlords of other countries. Granted that they had; where did they get it from to spend, and for what reason had it been expended? To improve their own surroundings or, from philan-

thropic motives, to improve the surroundings of others? Those who had been lowly brought up and little educated might perhaps take erroneous views of these matters; but depend upon it they would have to be looked at from more sides than one. It would be found that owners had improved their estates at the expense of the general public, on whose shoulders they had thrown every burden they could. Something had been said about improved roads. When the roads began to be extensively macadamised, trusts were established and toll-gates were set up, not to benefit the people who used the roads, but to remunerate the landlords for supplying the capital for the improvement; and a man who owned a horse and cart as a means of making a livelihood was made to pay twice or thrice as much as the man who drove a carriage for pleasure, and did nothing to earn a living. Why did they abolish turnpike trusts? So that those who used the roads for purposes of pleasure might be exempt from paying anything at all. (No, no.) Well, that was his view of the case. It was said that the Legislature had been steadily working to free agriculture from hindrances which impeded its natural development.

ad such legislation been freely conceded by the landowners? No; it had been wrested from them just as labourers would have to wrest from them a more equitable share of the profits that resulted from labour. The last speaker seemed to think it would be a loss to the nation if more of the land were appropriated by small owners. If we only gave them as fair conditions, and as free scope as we had given to the large landowners, the experiment would be more successful and more satisfactory. All his lifetime we had been trying to make two classes of people in the rural districts, the one rich and the other poor, and much of the mischief of the present day had resulted from this; and yet it was said that we must continue the system in the hope of gaining some benefit. He did not advise that we should cut up all the land into small holdings, but he did advocate such changes that a man might—if by thrift, industry, and sobriety he could manage to accumulate a little money—have the opportunity of either hiring or purchasing on reasonable terms a plot which he could cultivate with advantage to the community and to no one's injury. He held that numbers of men would do this if opportunity was given on fair conditions. It was said that the incidence of taxation fell heavily on small owners and occupiers: and why was that? It was because the assessment had been in the hands of rich men, or of men who were under their influence, and those who suffered had no voice in it. (Applause.)

Mr. A. BALFOUR, M.P., said he acquiesced in his long paper being taken as read if he might be allowed a little latitude in reply

in case his paper were attacked. But it had scarcely been commented upon except by the last speaker, and he had not touched the agricultural question as it was treated in the paper. Mr. Ball said that land in England had been driven up to an excessive price by the privileges given to landowners. By implication he thought that it would diminish the value if the land were divided, as in France and Belgium, among a large number of small proprietors. But the prices of land were more excessive in France and Belgium than in England. It was not denied that no landowners had spent more than those of England and Scotland; but Mr. Ball asked on what they had spent it. Unhesitatingly he affirmed that they had spent more on unremunerative improvements than the landowners of other countries. He did not refer to improvements made for their own benefit—parks, gardens, and the like; but he referred to improvements such as draining and fencing, and the building of houses and cottages. No other class had gone to the same extent in spending money unremuneratively. ('Scotland,' and 'The Highlands.') He included the Highlands in speaking of the improvement of dwellings for the people working on the land. Mr. Williams in a lively speech said that the measure that was meted out to the landlords must also be meted out to capitalists. While not agreeing in all that Mr. Williams said he heartily agreed with him in this sentiment. (Hear, hear). If they meant to establish socialism they must establish universally, and not tinker at the system. Mr. Wilson did not say how the proposed division of the royalties between capitalists and miners was to be made. He presumed that if the royalties were abolished the only result would be that the profits of the capitalist would be increased, and the money that he now paid to the landlord he would put into his own pocket. Did Mr. Wilson think that by any operation known to him he could induce the mine owners to hand over to the miners their supposed share of these royalties? It was surprising to hear that Mr. Wilson, after he had proposed to appropriate the royalties for the benefit of the miners, was in favour of nationalising the land. Nationalising the Durham coalfields did not mean giving the royalties to the capitalists and the miners, but it meant giving them to the whole country, so that Mr. Wilson's share would be a small one. Mr. Holmes was anxious to appropriate the 'unearned increment' of the landlord, but he would find that it was smaller than he thought, and, if he might coin a phrase, it might be called the unearned decrement. ('The Duke of Westminster;' and laughter.)

The Rev. S. HEADLAM said that the hon. member stated in his paper that land was an almost unsaleable commodity. Did that statement apply to the large towns?

Mr. BALFOUR said it did not, and the context would show that he was speaking only of agricultural land. Mr. Wallace affirmed that the dependence of labourers upon the farmers for employment was the cause of low wages; he dealt at length with the magic of property, and he said the vital point of his scheme was founded upon the assertion of Professor Rogers, to the effect that wages were higher where a peasant proprietary existed. This was spoken of as an undoubted fact. It might be undoubted by Mr. Rogers, but it was not only doubted, it was known to be untrue by all who had examined what the wages were in countries where a peasant proprietary did exist. France and Belgium were held up as examples of what a peasant proprietary could do for a country, and agricultural wages were lower there than here, while on the whole the dwellings of the labouring classes in the agricultural districts were much worse. If the dependence of the labourers on the employer was the cause of low wages, he did not observe that the scheme of Mr. Wallace would get rid of this dependence of the labourers. Mr. Wallace proposed to give them, not allotments, but a perpetual tenure of their small holdings of from one to five acres. Now on such a holding a labourer could not live without having other work; and it was certain that if he required other work you did not get rid of his dependence, and he was as dependent as if he had no land at all. Nay, he was more so, because the fact of his having the land tied him down to a district of the country, and made it difficult for him to go to a district where higher wages might be got. Therefore, far from making him less dependent you made him more so. This was brought out clearly by an examination of the facts as to France and Belgium. ('The Channel Islands.') Well, owing to peculiarities of situation and climate, the industry of the Channel Islands was practically market-gardening, and the islanders had the first command of the London market. Peasant proprietors might perhaps flourish where market-gardening was a prevailing industry; but in regard to the staple products of agriculture, meat and corn, small proprietors had not succeeded, were not succeeding, and would not succeed. Nothing was more absolutely certain from statistics than that, whatever other objections might be raised to the English land system, you cannot raise against it the objection that it does not produce food for the people, because, as a matter of fact, the production of food for the people is not only greater, but far greater in this island than in any other country of the world. As to the expectation that peasant proprietorship would bring about a great moral reform, this was not the experience of France. An interesting monograph on the agriculture of Normandy had been written by a Frenchman. It was written in an optimist spirit and

with an evident desire to take as favourable a view as he could ; and yet he reported an increase of drunkenness, and dwelt upon other symptoms which he bitterly regretted. The only answer he desired to make on other points was contained in the final paragraph of his paper.

Dr. WALLACE in reply said the details of the plan for the nationalising of the land could not be embodied in a paper confined to general principles, and therefore for the details he must refer Mr. Holmes to the publications of the Land Nationalisation Society. Mr. Williams said that the nationalisation of the land would provide no remedy for the grievances of labourers and mechanics, and would only make capitalists more powerful than now. This assertion, which Mr. Williams gave no facts to support, was demonstrably untrue. What was the source of the power of the capitalist over labour ? It was simply that labour had no other resource but to work for the capitalists, and there was no capital in the country but what was in their possession. The proposal of the Land Nationalisation Society would immediately tend to the creation of a class of small capitalists over the whole country. These capitalists would be able freely to associate and to have in their midst small industries and manufactures in which they would invest their joint capitals and employ their surplus labour. The effect of this would be to take the wind out of the sails of the capitalist. His power had depended upon having an unlimited amount of labour. Limit his supply of labour and you limit his power ; and you do this by giving the people free access to the land, thus enabling them to acquire capital and to utilise it by association. Referring to Mr. Wilson's remarks on the evil effects of royalty rents, he had always maintained that if there was one aspect of private property in land which was more atrociously unjust than another, it was that a private individual should be allowed to monopolise not the surface only, but the actual bowels of the earth, which it must be remembered were not merely used, like the surface, but destroyed for ever. (Applause.) The deposits there were held by us as a trust for future generations, and yet we not only allowed individuals to make a profit out of that trust, but we allowed them to export coal and other minerals at the greatest rate possible, thereby preventing the development of the mineral resources of other parts of the world, and at the same time deteriorating the entire country for our successors. What would the next generation say when the coal was exhausted and when they found that our appropriation of it had rendered the country less valuable and less habitable to them ? Would they not say that we had betrayed our trust ? What had we gained by it ? Only a host of millionaires who had obtained their wealth

by exporting their country's coal. It was absolutely iniquitous that any Government should have allowed this to be done, as much as if they had allowed portions of our land to be sold to a foreign Government. Both would be the betrayal of a trust. Mr. Balfour had remarked that if the royalties were divided, the miners would get very little. That would be so if the royalties of one district only were divided, but if the royalties of the whole country were in the possession of the Government, it would make a serious diminution in the taxation. Mr. Rowland objected to land nationalisation altogether, and proposed a scheme of his own under which the State was to interfere in order to prevent good land being kept out of cultivation. Did he think what that involved? There would have to be an army of inspectors going about the country; and officialism, jobbery, and corruption would neutralise any good from the scheme. What was wanted was to diminish Governmental action and to leave the free play of supply and demand to attain the desired result. Let the people have the land freely on fair terms and it would not remain uncultivated. There would not be the slightest necessity to have Government inspectors to see that it was cultivated. Major Craigie did not attempt to prove his assertion that the cultivation of small plots would not increase the food supply. On this point, and on that of wages, you could not compare foreign countries with this country unless you knew all the conditions. You must know the conditions under which the labourer lived, the price of food, and the effective value of wages; without these the mere comparison of money wages was utterly valueless. There was an enormous body of facts opposed to Major Craigie. A collection of them from all Europe was given in Mr. J. S. Mill's *Political Economy*; and it was proved that with a peasant proprietary there was a scale of living and an amount of comfort and contentment which were unknown to the English agricultural labourer, and even to English mechanics. In reply to a good deal of what Mr. Balfour said, he would read a portion of a letter from a clergyman in Devonshire, the Rev. Mr. Taylor:—'The labourers are leaving the country wholesale, so that now if extra labour is wanted by any more than ordinarily enterprising farmer he can't get it for love or money. Here is one fact, which will give you some idea of how the labourers live:—One family consisted of father, mother, and six children under ten; wages 10s. a week; 1s. a week rent. How could this man pay for food, clothing, firing, school-pence, and doctor out of his wages? I don't know: but his wife told me that when mowing-time came round (in 1883) he was so weak from insufficient food that he could not mow, and so lost a great part of the extra wages which he depended upon for paying his rent, &c.' This was what the British

agricultural labourer was reduced to in these times when we are assured he was so well off! (Hear, hear.) Mr. Taylor also gave an interesting account of one working farmer in his parish who made farming pay and did not grumble. He said:—"There is one man here who does not complain and who seems to thrive; so I interviewed him. "What is the real cause in your opinion, Mr. Bakers, of this depression? Is it the low price of produce only?" "No, sir, it is the bad farming and extravagance; they live too fast; farmers didn't used to live like it. This has been a very good year; my son there raised 1,200 bushels of barley, and was offered 3s. 3d. a bushel for it. He wanted 3s. 6d. to make it pay, so he 'fed' it all, and we found it paid him over 4s. a bushel, besides all the manure being left on the land. I don't want no Protection; I'm all for Free Trade. But there you see, sir, we are always about. We don't go shooting nor nothing. We looks to everything ourselves, and we makes it pay and pay well, even now. No! I don't complain of tithes or poor-rate, because I had my land with them on it. The only thing I complain of is some of the local rates. My brother shared alike with me, and I bought his land of him. He put his money out to interest. Now he has got nothing to pay on that but income tax. I have got all these rates, sanitary, highway, and others besides. I don't call that fair. But that's all I have to complain of." This man farms his own land. It is well manured, well worked, and now very profitable. However bad the year, he never lets the land get foul, and then when a good year comes he gets the return at once. And his labourers are the same for years and years. They live in his own cottages—the best in the place; they are paid better, and made to work harder, than any and they all stick to him. He is a crotchety old customer and his temper is not angelic, but in his way he has done a good work in the world.' (Applause.) If such men succeeded in these hard times and under such conditions, there was no reason why others should not do the same under more favourable conditions. It was proposed that they should be allowed to come upon the land by a process of natural selection; and if industrious and thrifty men succeeded, there would soon be numbers of them all over the country. All argument as to the plan not succeeding, came to nothing until it was tried. He could only refer to his book for the proof of facts which had been denied by Mr. Balfour. A considerable part of Mr. Balfour's paper was devoted to a criticism of the proposals of the Land Nationalisation Society, but they were not fairly represented. It was repeatedly assumed that it was proposed to give every man five acres of land, and it was contended at great length that he could not live upon it. But the Society had never made any

such proposal, and therefore the criticism was entirely beside the mark. The proposal was that the labourer who wished for land should have one acre or two acres in the place where he knew he could get work. It was a most extraordinary statement that a labourer who had this land would be more dependent than now upon an employer. The farmer or the capitalist could not do without labour; he must have it at certain times; and all experience showed that if you had a settled population of industrious labourers, they were always ready to suit their own time to that of the farmer, and to give him the labour when he wanted it, but at the same time they were not so dependent as to have their wages driven down to starvation point. (Applause.)

AFTERNOON SESSION.

WOULD THE MORE GENERAL DISTRIBUTION OF CAPITAL OR LAND, OR THE STATE MANAGEMENT OF CAPITAL OR LAND, PROMOTE OR IMPAIR THE PRODUCTION OF WEALTH AND THE WELFARE OF THE COMMUNITY?

The Question discussed and answered.

BY LORD BRAMWELL.

THE first part of the question assumes that a more general distribution of capital or land can by some means be brought about. For otherwise it would be to discuss what would result from what cannot take place. I cannot agree to that assumption; I cannot at least agree that it can be brought about by any means which would cause it to promote the production of wealth and the welfare of the community.

The general distribution of capital and land in a community is the result of natural causes, and could be altered only by legislation, which would be mischievous, and impair the production of wealth and the welfare of the community.

There are two men, one born healthy, strong, intelligent, industrious, thrifty—the other sickly, weak, dull, idle and improvident. These two men will certainly be differently off in life. So will their children and children's children, even if the State should make itself heir to all deceased persons. One of the two men will be poor, the other rich. How is a more general distribution of land and capital among such to be brought about? Is the poor man to be made rich? How? Is the rich man to be made less rich? That can, indeed, be done, but can it be done by any means that would promote the production of wealth and the welfare of the community? Certainly not.

I know, of course, that a law might be made bringing everything into hotchpot, and dividing the mass into equal shares, one for each member of the community, which certainly would produce a more general distribution of land and capital, but I suppose no one contemplates this. For my own part, I have no superstitious reverence for the institution of separate or private property. Show to me that its abolition would be for the general good, and I would vote for it, letting down the present possessors gently. But my opinion is most clearly the other way, for reasons I shall give at length in answer to the second part of the question. If that institution is to be preserved, it would be useless to make such a distribution as I have supposed. For at the end of six months there would be a difference in the wealth of members of the community. Some would have wasted their shares, some have increased theirs (unless, indeed, that was forbidden, which would be most disastrous), and it would result that some would be poor and some rich. I cannot suppose, then, that a law directly taking from those who have, and giving to those who want, is expedient. But, unless some such mischievous contrivance is resorted to, there must be an inequality of conditions, and an inequality in which there will be the very poor and the very rich. I say, then, that there are no means by which there can be a more general distribution of land and capital which would promote the wealth and welfare of the community.

I do not understand the question to mean whether countries where there is less inequality of wealth are happier—say Prussia, rural Switzerland, or Norway. If it did, I would merely say that I believe that in such countries there is less wealth, but as much and as great poverty, not so squalid, not so offensive, but as great.

I do not say that nothing can be indirectly done to lessen the inequalities of conditions and improve that of the poor. Heavy taxes might be put on successions which would allow of the diminution of taxes that fall on the poor. Taxes which fall on their luxuries, but which they will pay to the lessening of their means for necessaries. The motive for saving in the rich would be diminished indeed, which is bad, and there

would be shifts and evasions to avoid the tax. So also, more of other taxation might be put on the rich. This, however, would be attended with the inconvenience, that one class would furnish the State with funds and another spend them. Education might be made gratuitous. Mr. Fawcett says 'No.' So I suppose allotments of small pieces of land in rural districts might be made more easy. I wish here to notice a passage in Mr. Wallace's paper:—He suggests that there should be a power of compulsorily taking land for small farms. This does not shock my notions of the respect due to property. The same argument he uses has occurred to me, namely, you may take land for a railway or canal or school, why not for a farm? My doubt is if the farmer could be found—and the capital; when they are, I incline to think that the land also can be found. Emigration might be assisted. This, with a prudent restraint on marriage and the bringing into the world of numbers of children, would make the poor less poor. This is most important whatever else can be done, nothing will be effectual for the good of the labourer unless he will help himself by not multiplying the numbers of those who possess his possession, and compete with each other for its employment. The abolition of the law of primogeniture would probably in time make the rich less rich, and so tend to reduce the inequality of condition at present existing. Whether this abolition is desirable on political considerations I do not say. That a larger number of proprietors, if prosperous, would be most beneficial I doubt not. That they cannot be brought into existence by direct legislation I am certain. That they could make a living I much doubt.

I offer no opinion on these various matters, as I do not think they bear on the question of a 'more general distribution of capital and land.' I only mention them to show they are not forgotten.

As to the other part of the question, viz.: would the State management of capital or land promote or impair the production of wealth and the welfare of the community, I say, without hesitation, that State management of land or capital would impair such production and welfare. I can only repeat what I have said before, till men are as honest, some may think as

senseless, as the bees, they will not work for the community as zealously as each works for himself. Consequently the total produce will not be as great in the former as in the latter case. When each man knows that the size of his ration will be the same whether he works or not, and knows that others will shirk, he will shirk too; and the poverty and misery of all will follow. Besides there is the impossibility of managing such a large national farm or factory. Also such a state of things would have a most depressing, deadening, effect on all, and make life a dull misery.

As to the nationalisation of land, I desire to speak of it with all the respect due to those who honestly believe in its desirability. But the scheme is impossible. If a man has the interest in a piece of land for a day, he is for that time a landowner. I suppose that in any scheme of nationalisation the tenant would have it for a year, that he might sow and reap. I suppose he would pay a rent to the State for it. Suppose 10*l.* paid for a piece of land for a year, and suppose the occupier said, Let me have it for ten years, and I will give you 20*l.* a year, ought not the State to accept the offer? Then suppose he said, Give it me for ever and I will pay 30*l.* a year? Again, ought not the State to agree? He would then be that hateful creature a landowner, subject to a rent-charge. Now suppose the State wanted to do work and had to borrow money, and suppose he offered to give for the redemption of the rent-charge a sum which could not be borrowed for less than 40*l.* a year. Again, ought not the State to accept his offer? Yet in that case he would become a hopelessly unmitigated landlord, one of those whom Mr. George calls robbers, and a proper object of plunder.

Without going into the question of natural rights this is true: when men are united in society all their rules and institutions are artificial. And if any of these is against the general good, it should be abrogated. But I am satisfied that the institution of private property in land is for the good of society, as is the right of each man to the benefit of his own labour. It gives each man a motive, and the strongest, to make the best of his means and his work. I agree with the late Sir

W. Siemens, who said, 'If an invention lay in the gutter unowned, I would give it to a particular owner, that some one might have a particular interest to develop and push it.' I believe that the best thing for all is that there should be what I believe the Americans call 'the largest pile.' Though the shares may be unequal, there will be the greatest bulk to divide, the greatest average share, the greatest amount of enjoyment, the greatest individual wealth perhaps, but the least individual poverty.

As to the mischievous nonsense about each child being born with a right to share in the land, the short way of dealing with it is this, that he should have a share is it expedient or not? If expedient, let him have it, whatever his right may be; if inexpedient, refuse it, whatever his right may be. Or rather be sure he has no right. It is nonsense to talk of such a right. As I have said, all rights in a state of society are artificial. It might as well be said he had a natural right to a box at the opera.

Mr. G. Potter, in a letter to the *Times* of July 7, recommends 'the nationalisation of land.' He seems to suggest it as a remedy for the mischief occasioned by farmers having recourse to pasturage instead of tillage. Now the farmers do this because they get the greatest profit by it, and would continue to do it for that reason, even if they paid no rent for their land. They now get, or ought to get, the fair reward for their capital and personal labour. If they paid no rent, they would get that rent in addition. But I infer that Mr. Potter, in consideration of their having to pay no, or less, rent, would make them revert to tillage instead of pasturage, because, as he says, the gross produce would be greater and the labour employed more. That may be so. Ricardo long ago pointed out that though the net profit from the use of machinery might be greater, yet the gross produce might be less than the gross produce of the same capital using manual labour, and so there might be less for the labourer and other consumers. True. But we use machinery, and this is certain that it is out of net profits that saving takes place and capital increases, and it is also certain that the most disastrous thing for

what are called the working classes, would be to diminish this increase of capital. But how would Mr. Potter bring about this change? By a direct law that the farmer should have such a proportion of his land in tillage? I believe such a thing impracticable. But farther, what does Mr. Potter contemplate if the farmer is to pay no, or less, rent? Confiscation? That nothing shall be received by the landowner? That if A has sold his railway stock and bought land, and B has sold his land and bought railway stock, A shall lose his land but B keep his railway stock? Why? It is said that the private ownership of land is robbery, and that every owner of land knows it. This, if honest, is crazy nonsense. All property exists by law, and one is owned as honestly as the other. Are all the members of building societies thieves? I do not believe this is Mr. Potter's intention, though it may be that of others. As to them, the only argument I use is that if they attempt to put their opinions into practice they must be fought. But if the farmer is to pay no rent, or less rent, in consideration of his increasing his tillage, and yet the landowner is not to be plundered, where is his compensation to come from? From general internal taxation, or from a customs duty? There is no other source. Does Mr. Potter think that either would be for the good of the community? He quotes with approval a letter which says we pay 150,000,000*l.* a year for what we might grow at home. But to do that every quarter of wheat which now costs, say 40*s.*, would cost at least 50*s.*, and other things in proportion. For you cannot raise the price of one article of food unless you raise the price of other articles which compete with it. The 150,000,000*l.* then would cost 187,500,000*l.*, or 37,500,000*l.* more. Would this be a gain to the country? I have assumed that gross produce is less under pasturage than under tillage, and that labour is less; but the liberated labour is sure to be employed on other productions. The *Times* concisely disposes of Mr. Potter's idea, by saying that it is protectionist unless it means the robbery of those who chance to own land at present. 'People can always be relieved for the moment by stealing other people's goods.'

Only a word as to that part of the question which asks about

the State management of capital. It might as well be asked whether the State management of capital and labour at Portland Prison is not as productive and pleasurable as the private management of them. I say capital and labour. They cannot be dissociated. Separately they are useless. Those who manage capital must manage labour. On this subject I refer to a pamphlet by Mr. Stanley Robertson on 'Communism,' published by the Liberty and Property Defence League. (See Appendix.)

I answer the second part of the question peremptorily in the negative.

APPENDIX.

LET us concede, then, for argument's sake, that a State organisation could be created—or rather that a group of organisations could be created within each State—which should provide for all the physical wants of the community, and regulate all merely material life, so as to exclude poverty to the utmost, and get rid of most of the ills poverty brings in its train. I will go so far as to suppose that all this could be done without a forcible revolution, though the Continental advocates of schemes of this sort (Collectivists, Socialists, or Communists, as they are called) are commonly reproached with being anarchists, because they are apt to try to carry their projects into effect by violent and subversive means. As a matter of fact, we shall see that the success of such schemes would be by no means anarchic in effect, but, on the contrary, would involve an unheard-of tightening of the chains of authority. For a Collectivist community could only be kept at work on certain very rigid conditions, the acceptance of which would be a very high price to pay, even for the exclusion of poverty.

First, it would be necessary that the State should superintend the provision of food, lodging, clothing, and all the material necessities of life for every citizen, just as the commissariat department of an army provides for the soldiers. Now, anyone who knows what the administration of an army commissariat is, knows that even such a limited body as an army is most difficult to provide for. In our own army, as a general rule, the supplies are inadequate as often as any extraordinary call is made upon them. In most foreign armies, when the supplies are adequate, they are so much more than adequate as to err on the side of lavishness. The high state of efficiency of the German army is purchased at the cost of a crushing tax on German industry. Now, let us suppose that, instead of a quarter of a million

of adult men, or even a million, the whole population had to be provided for—some thirty or forty millions, including not only picked and full-grown men, but the aged, the sick, delicate women, and young children. Surely to superintend the distribution of all the physical necessities of life among such a vast and mixed multitude would tax to the utmost the resources of any State organisation! Subdivide and distribute the work how you will, surely it will be all but impossible to guard against the risk of a breakdown at some point of the very complicated machinery! Under the *régime* of private enterprise and competition (coarse and cruel as some deem it), supply does somehow adjust itself roughly to demand. But the blunder of a State department would be of necessity irremediable. When the supplies of an army fall short there is free industry to fall back upon, and, when it is deemed necessary to ensure an army against shortness of supplies, free industry is permanently over-taxed. But a Communistically organised State would either have no such reserve, or would be compelled permanently to over-work its labourers in order that a reserve might exist.

Secondly, the State, if Communistically organised, must of necessity control all labour, direct its quantity, test its quality, and compel its performance. Every man, woman, and child should have his or her daily task set and enforced. Under a *régime* of free industry and private enterprise, 'he that will not work neither shall he eat.' In countries like France, where there is no poor law, the cry of the Communistic agitator is not for maintenance while out of work, but for work to do whether the produce of his work is wanted or no. Our own poor law is a step in the direction of Communism (though not a very long one, and not wholly indefensible), and carries with it the Communist consequence that work for paupers must not only be provided but enforced. A Communistically organised State would be a collection of big workhouses. Those who aspire after such an ideal must have learned the lesson of the English workhouse very imperfectly indeed. Otherwise they must needs know that there is a margin of the working class (as there is of all humanity) whose aim is to get through life doing the very smallest possible quantity of work.

A considerable proportion of our workhouse population consists of tramps and 'casuals' who are living upon the labour of others, they themselves producing nothing, and doing no more than they needs must in order that they may be fed at the cost of those who produce. And in this lowest deep there is a lower deep: the half criminal or wholly criminal fringe, which actually prefers the gaol to the workhouse, and makes provision for a rainy day by breaking

windows or street lamps. What room is there for people of this kind in a Collectivist State? Is it not self-evident that a man who will not work of his own accord must either be driven to work by the lash, or thrust out to starve on the roadside? And if either of these things has to be done, wherein lies the advantage of the new *régime* over the old?

Thirdly, if the State is to be responsible for proportioning consumption to resources, the State must control the increase of the population. If the State is to provide food, and lodging, and clothing, it must have the power of deciding how many persons are to be fed, lodged, and clothed. This is a matter concerning which plain speaking is at once difficult and indispensable. Political economists write about restraints on marriage—as if no children were ever born out of wedlock. The truth is, that wherever restraints on marriage have been imposed, illicit unions and illegitimate births have increased. In order to control population by State authority it would be necessary to bring things into the condition satirised by Shakespeare in *Measure for Measure*. The slaves on American plantations were encouraged to ‘breed,’ because their offspring would sell at a profit. On the contrary, men and women in a State Communistically organised I will not complete the antithesis. In what way would the subjects of a Collectivist State differ from slaves except that they would not be directly subject to a master’s caprices?

And what manner of men would they be who should be entrusted with the organisation and control of the labour thus disciplined? The ‘captains of industry’ would have far more power than the officers of an army; and what would be the check on them? We can hardly suppose them appointed by popular election. That presupposes freedom. We cannot imagine a plantation of slaves choosing the overseer by universal suffrage. The overseers of the slaves of Communism would have to be chosen by some process of selection other than a vote of the very men and women whom they would have to control, to keep at work, and to restrain from over-multiplying. Now, the first two of these functions are performed, roughly, indeed, and imperfectly, by the Capitalist Employer in a state of freedom. He it is who apportions the work to be done, and decides who shall do it. He it is who turns the lazy and inefficient workman into the street, and promotes the skilful and active labourer.

The process by which the capitalist comes to the front is a process of natural selection, and is therefore more effective than any mode of artificial choice could be.—(*Communism*. By E. STANLEY ROBERTSON.)

Remedies for Social Distress.

BY FREDERIC HARRISON.

THE third question before us submits to our judgment two methods proposed for the reorganisation of the industrial system:—the first, by the more general distribution of capital and of land; the second, by the State management of capital and of land. These two plans are in violent contrast with each other. The former is merely an extension of the present social system, multiplying the holders of private property, imposing on private property no new checks or duties, proposing nothing subversive of our ordinary habits, and nothing but what is common in many countries in the Old and the New World. The second plan involves an entire revolution in the social system; it would abolish, or at least recast, the oldest institution of civilisation, private property; and it proposes an industrial system which probably has never at any time been at work on any large scale on the face of the earth.

But before we can properly consider any large scheme for the reorganisation of our industrial system, we must first be prepared with at least a general answer to the wider question, the question which is the *raison d'être* of this Conference: viz. 'Does our industrial system need to be reorganised at all?' I shall simply indicate my own answer to this question, and shall then consider the two alternative proposals for reform; giving in each case results, conclusions, and general estimates, the outcome of my own experiences and studies. I have now for twenty-five years occupied myself with these industrial problems in their various phases, in personal contact with the movements and their leading exponents or directors: trades unions, workmen's clubs, benefit societies, co-operation, industrial partnerships, land nationalisation, socialism, communism. Time does not permit me to enter into details or systematic review of arguments. I shall seek only to lay before the Conference my final conclusions and suggestions.

‘Does our industrial system need to be reorganised?’ or in words which originated this Conference, ‘Is the present manner whereby the products of industry are distributed satisfactory?’ I cannot myself understand how any one who knows what the present manner is, can think that it is satisfactory. To me at least it would be enough to condemn modern society as hardly an advance on slavery or serfdom, if the permanent condition of industry were to be that which we behold, that 90 per cent. of the actual producers of wealth have no home that they can call their own beyond the end of the week; have no bit of soil, or so much as a room, that belongs to them; have nothing of value of any kind, except as much old furniture as will go in a cart; have the precarious chance of weekly wages, which barely suffice to keep them in health; are housed for the most part in places that no man thinks fit for his horse; are separated by so narrow a margin from destitution, that a month of bad trade, sickness, or unexpected loss, brings them face to face with hunger and pauperism. In cities, the increasing organisation of factory work makes life more and more crowded, and work more and more a monotonous routine; in the country, the increasing pressure makes rural life continually less free, healthful, and cheerful; whilst the prizes and hopes of betterment are now reduced to a minimum. This is the normal state of the average workman in town or country, to which we must add the record of preventable disease, accident, suffering, and social oppression with its immense yearly roll of death and misery. But below this normal state of the average workman, there is found the great band of the destitute outcasts—the camp-followers of the army of industry—at least one-tenth of the whole proletarian population, whose normal condition is one of sickening wretchedness. If this is to be the permanent arrangement of modern society, civilisation must be held to bring a curse on the great majority of mankind.

Is the relative area of this extreme misery growing wider or smaller? Is the normal state of the average workman growing better or worse? Is the general lot of the upper ranks of the workmen rising or falling? Taking England and our own generation only, I have little doubt that there is some improve-

ment in all. The proportion of the utterly destitute is distinctly, however slowly, diminishing. The average workman, on the whole, has gained in money-values a real advance. The fortunate minority of the most highly-skilled workmen have gained very considerably. The figures arrayed by consummate economists are far too complete to be doubted. But then this question is by no means settled by figures. After all has been said as to the rise of wages, as to the fall of prices, as to the cheapening of bread and other necessaries, there comes in a series of questions as to housing, as to permanence of employment, as to the general conditions of life in cities ever more crowded, and in country ever more and more inclosed, as to the nature of industry in the sum. These are questions that cannot be settled by statistics and comparative tables. It is impossible to balance a gain of 2*d.* on the quartern loaf against the growing unhealthiness and discomforts of an increasing city. No one can say if another 1*d.* per hour in wages is the equivalent of increased strain in the industrial mill. No one can exactly value all the rush and squeeze of modern organised industry against the personal freedom of the old unorganised labour.

These things one has to judge in the concrete, and my own judgment is this: the fortunate minority have gained, even in the sum total, at least as much as any other class in the community; and they are in the ascendant, in the way to gain more, both positively and relatively. This is due mainly, I hold, to their trades unions and mutual societies. The average majority of workmen have, in the sum total, gained a little; but far less than the rich or the middle-classes. And that little has been gained at the expense of some evils which are hardly compatible with civilisation. The destitute residuum is, if relatively diminishing, positively increasing in numbers; and, under the pressure of modern organised life, is in a condition of appalling barbarism. Taking the general condition of the producers of wealth as a whole, it is improving, but somewhat slowly, and even the improvement is of so moderate a kind, and is accompanied with evils so menacing to society, that the future of civilisation itself is at stake. And herein I join hands with very much that is said by the earnest men of the

genuine Socialist schools, so far as they point out the evils and dangers of our actual system. In particular, I heartily sympathise with the critical portions of Mr. Henry George's writings, especially in his latest work, *Social Problems*. That book seems to me a very powerful, and, in the main, a very just, exposure of the evils of our industrial system ; though I look on his pretended panacea as chimerical and futile. But Mr. George, whose genius and courage I cordially admire, has introduced one very important consideration. He has proved, or rather directed our attention to this, viz., that the evils long familiar to all in the industrial system of Europe are already in full operation in America and other new societies ; that they grow up with wonderful rapidity within a generation under conditions utterly different to those of Europe ; that they are found in primitive communities, in democratic republics, in societies where virgin soil, unbounded liberty, limitless space, social equality, and an absence of all traditions, restrictions, or hindrances whatever, leave an unorganised crowd of free men face to face with Nature. It is impossible, therefore, to attribute these evils to Government, social institutions, laws, or historical conditions. They are the direct growth of modern industrial habits ; and they develop with portentous rapidity directly industry finds a field wherein to organise itself, even in the most free and the most new of all modern societies. Mr. George, I say, has shown us that the evils of our industrial system are the direct product of the industrial system itself.

This spectacle of the growth of free industry in America affords a sufficient answer to those who call out for absolute freedom from State interference. In the United States we have State interference at its minimum, and the freedom and independence of the individual citizen at its maximum. And this seems precisely the field where industry breeds the evils of the industrial system with the greatest rapidity. It is here, where the State does the least, and where the individual is most independent, that we have colossal accidents, gigantic frauds, organised plunder, systematic adulteration, the greatest insecurity of property and of person, and commerce fast reducing itself to a science of swindling. This should be enough

to warn us that it is impossible to make an absolute principle of the doctrine of non-interference. Where the State can usefully interfere, and where it cannot, is for each society a matter to be discovered by practical experiment. The sticklers for absolute respect for Liberty and Property have not the courage of their doctrines. If they are logical they should ask for the abolition of all legislation against truck, dangerous structures or practices, unhealthy buildings, oppressive regulations, and fraudulent devices of any kind. They ought even to call for the abolition of all inspection, all compulsion, all monopolies, and all State manufactures, or even regulation of industry in any form. Cab-drivers would be free to charge the unwary what they pleased; girls and boys would be ill-used in any way short of open violence. The population would grow up a prey to small-pox and all infectious diseases; the children would be untaught; salesmen would be free to falsify their weights and measures, and to adulterate their goods without check; sailors would be drowned, pitmen blown to cinders, and trains wrecked entirely at the mercy of certain owners; and we should have to forward our own letters, and (why not?) protect our own houses ourselves. Society would be dissolved in the name of the sacred rights of self-help and property. The limits of age, sex, or special industry have no abstract force, apart from convenience. If it degrades a man to have State protection, it must degrade a woman; if it is good for a young person of 14 to be under compulsion or inspection, it cannot be so evil for a young person of 18 or 20 to be so also. If there be any absolute doctrine of non-interference, the age of 12, 14, 17, or 21 cannot override it; nor does a factory girl of 16 differ so much from a factory lad of 16, or even of 21. Once show a few cases where State control has certainly made industrial life a little more human, and checked some forms of misery, and the abstract doctrine of non-interference is blown to the winds. But cases of successful State control abound in all societies, and notably in ours. The rule of *caveat emptor* is perfectly observed only by savages.

I turn to the first alternative proposal, the more general distribution of capital and land. No one who knows the working-

man, so to speak, at home, can doubt how great an advance in well-being and independence is the possession of a little capital, a bit of land, however small. Only those who do know him at home can truly judge how great an advance it is. The workmen of such cities as Rochdale, Halifax, Huddersfield, Leeds, Newcastle, and Oldham, where the unions, the co-operative, building, and benefit societies are in strong force, are in an altogether different world from that of the average town and country labourer, who on a Friday night is the owner at most of a few shillings and five pounds worth of old furniture. The co-operative societies, with their twenty-six millions sterling of annual sales, are only one and the best known of the many agencies. The trades unions, with their large reserve funds, and their accident, sickness, and out-of-work benefits, are but another mode of securing to workmen some of the advantages of reserve capital. All the various forms of insurance and benefit societies, the land and building societies, do the same. The prudent, energetic workman of our northern industrial districts, who can afford to take advantage of all the mutual benefit associations available to him, may be said to be in a position of something like security and comfort. If he is sick, out of work, or meets with an accident to himself or his tools, he is not forced to pawn his bedding; when he is superannuated, he is not driven to the poorhouse; when he dies, he is not buried by the parish. He gets wholesome food, good clothing, and furniture at wholesale prices; he has a good library and club, a night school, and an annual holiday; and he comes to be master of a house and garden of his own. This is the bright side of the picture; but of how few can it be said to be true! Perhaps, at the most, of 5 per cent. of our total working population; and of that 5 per cent. almost the whole are factory artisans, who alone, by their higher wages and the employment of whole families, can afford the needful weekly subscriptions. With the rural labourer the story is very different. How rare is the case where he owns anything, or has the remotest hope of ever owning anything! Every ordinary misfortune of life—sickness, accident, infirmity, old age—to him means simply parochial relief, charity, the workhouse. He drinks poisonous water, eats

bad and adulterated food, lives a life without rational amusement, without freedom, without hope. Compare the British labourer with the peasant owner of France, Italy, Belgium, Switzerland, or America, and he appears to be at the opposite pole of comfort and independence. It would be wasting time to multiply proofs that the more general distribution of capital and of land does promote the welfare of the labourer. Every means which contribute to that end are, in my judgment, an unmixed good, whether they take the form of co-operation, trades unions, benefit, building, insurance, or joint-stock societies, or peasant occupation and holdings. Nay, I go much farther, and I insist that until the working-man—whether in town or in country—has at least as much possessory interest in his home as an average middle-class man now has, and until he can count on so much capital, or its equivalent, as will keep him (if needs be) from destitution for a year at least, the first conditions of civilised industry are wanting.

But the question before us is whether the reorganisation of industry and the welfare of the community are to be found in a general distribution of capital and land. And here we are met by two irresistible facts. The first is, that the universal tendency of organised industry, rural or urban, is towards the massing, and not the dispersion, of capital. The highly specialised subdivisions of all modern production, the increasing use of complex machinery, and the greater economy of all aggregate operations, make the massing of capital more and more essential to efficient production. In America and in new societies, even more than in the old, the same causes are at work. Increased concentration of capital is an indispensable condition of modern successful industry. Even in rural England, where the concentration of estates seems almost to have reached a maximum, the consolidation of farms goes on; the big industry is driving out the little. The ancient controversies as to great and little culture of land have now ended in this: that for the largest production of cereals and stock and for the highest scientific farming the big-scale culture at least is indispensable, even if the ownership be subdivided. In urban industry no room is left even for debate. Collective industry has almost

extinguished individual industry. Factory production has swallowed up home production ; the spinning-wheel, the handloom, the village workshop, are now the bows and arrows of modern industry. The middleman, the chapman, the small trader, the petty manufacturer, the private banker, the small builder, the village store, are every day superseded by big companies, central agencies, or big capitalists who are consolidated companies and agencies in themselves. In the face of this universal law of modern industry, a law the more conspicuous the more free and virgin be the field of industry, how idle would it be to look for any regeneration of the industrial system to a natural dispersion of capital or land ! In the teeth of universal tendencies such as these, it is rather unnatural to struggle for a revival of the equable distribution of capital and land which marks the ruder types of society.

The second objection is a result of the first. As a fact, the possession of capital and of land is reached only by an insignificant fraction of the labour population. After all has been allowed for the work done by trades unions, co-operation, benefit societies, and the like, it touches only a fortunate few. Even the most flourishing and progressive of these movements hardly advance more rapidly than population and the general wealth of the community : in other words, they barely hold their own. Trades unionism may now be said to be, as an efficient movement, about fifty years old ; co-operation is forty years old ; most of the mutual-benefit movements are in their second or third generation. It is time that the enthusiasts of each recognised the very narrow limit of their real work. They practically affect the fortunate minority alone. Ninety per cent. of the labour population scarcely feel any direct benefit from them.

Co-operation, in particular, has a melancholy failure to acknowledge. Too much has been made of the fact that a small fraction of the labouring classes (600,000 or 700,000 all told) have learned to buy their tea and sugar in economical ways at stores and clubs. There is no social millennium in this. Co-operation started forty years ago with a mission, to revolutionise industry, to abolish the wages system, and to produce by associated labour, so that the labourer should

share in the profit of his labour. Over and over again the effort has been made to start true co-operative production, all workers sharing the profits. Over and over again it has failed. It has been a cruel disappointment to the noble-hearted men who forty years ago, and since, have hoped that they had found a new social machine, to see these hopes ruined by the indomitable force of personal interest and the old Adam of industrial selfishness. One after another all types of co-operative production worthy of the name have disappeared. Here and there a few associated artisans or artists struggle on in a small business where capital is hardly needed. In 1883 the united profits of all productive societies in the kingdom was less than 15,000*l.* This does not count the flour-mills, which are merely a form of *store* for the convenient supply of food. What a drop in the ocean of the total earnings of the working classes, 500,000,000*l.*, is this annual profit of 15,000*l.*! But co-operative employers usually, like other employers, give little but the market rate of wages, and secure the best dividends they can. Why should they not? they ask; for they are poor men, trying to rise. Why not indeed? Only they make it plain that co-operation is simply a name for a joint-stock company; and the idea that it is about to re-organise modern industry is now an exploded day-dream.¹

Trades unionism, which I have known intimately for twenty-five years, is an even more important and efficient engine of industrial improvement, mainly because its indirect influence is at least as great as its direct influence. A trades union usually benefits indirectly quite as many non-members as members, sometimes perhaps twice as many. A powerful trades union often improves the condition of the whole trade. But, at the utmost, trades unions substantially affect only the minority. Of the twelve millions of earners, certainly not one million are in union. In one or two of the most skilled trades, the unionists are the majority; but, taking the whole labouring population

¹ In 1883, the aggregate dividend paid by these productive societies in England was under 5,000*l.* About 100*l.* was devoted to educational and charitable purposes, and about twice as much to labour, apart from capital or purchases.

of these islands, the unionists are a mere fraction, the aristocracy of labour. Nor is this fraction now relatively growing. Trades unionism, in the sum, is not an advancing movement. In two generations now it has shown itself utterly powerless to reach the residuum, or even materially to combine the great average mass. In spite of all the creditable efforts made by the larger unions, and by the annual congress and the like, unionism in its average, and certainly in its lower, types tends rather to sectional and class interests; it divides trade from trade, members from non-members; and especially it accentuates that sinister gulf which separates the skilled and well-paid artisan from the unskilled labourer, and from the vast destitute residuum. Our industrial competition forces these classes into permanent antagonism. Unionism too often deepens this antagonism into bitter and unsocial war.¹

It is vain indeed to expect the permanent reorganisation of industry from any one of the movements which tend to the more general distribution of capital or land; nor is there any reasonable probability that this will come about naturally. The steady logic of facts is towards the concentration of capital and not its distribution; and all the movements for promoting that distribution but touch the topmost layers; they scarcely affect the mass, and do nothing for the lowest state of destitution. They leave the general organisation of the industrial system exactly as they find it. They do almost nothing to moralise it, to infuse into it a new spirit; and they distinctly decline to revolutionise the industrial system itself. Trades unionism indeed, the best and by far the most powerful of these agencies, is a strongly conservative movement, and depends for its activity on the actual industrial system as it is. Compared with the gigantic and deep-seated evils of our present society, these various schemes for the general distribution of capital are mere palliatives, stop-gaps, and insignificant experiments. Nine-tenths of our working people, nine-tenths of their wages, are hardly affected by them at all.

I turn to the various proposals for the State management of capital and land, that is to say, to the nationalisation of the soil,

¹ See the paper prepared by Mr. Lynch.

and Communism pure and simple. There is nothing particularly new about the proposals of Mr. Henry George. In the last century, Thomas Spence, in Newcastle, proposed very similar theories, and the Spencean clubs of that period were quite as vigorous as the land nationalisation societies are now. Mr. George has, however, given the discussion a new interest by his eloquence, passion, and his experiences of the new societies across the Atlantic. I have already expressed my admiration of Mr. George's genius and energy. And I will add this: his dealing with the land question has drawn attention to some important truths, so valuable that if all the rest of his arguments were worthless, this would still make him one of the most vigorous social thinkers of our time. The greater part of his criticism of our present distribution of wealth is right in principle, even if exaggerated in statement. He has abundantly proved that it is not due to any special conditions of English society, law, or institutions. He has thrown fresh light on the danger of permitting to the owners of the soil in cities the absolute disposal of its surface and the buildings on it. And in particular he has done admirable service in insisting on the necessity for a genuine land tax. I am prepared myself to go with him so far as to see a fifth at least of our national income raised by a tax on land and ground-rents, as is usual in most other civilised communities. But all these proposals are part of the accepted programme of all radical reforms. And Mr. George has done nothing to put them into practical and workable form.

When, however, he goes on to represent the appropriation of the soil in private hands as the cause of all social misery, and the State confiscation of the soil as the panacea for every ill that afflicts society or the working poor, no wilder sophism was ever uttered by a sane man. I will not, in a serious gathering of cultivated men, waste a word on his invocations to the will of God or the rights of man. Rant of this kind is more fitting to a negro camp-meeting than to an industrial inquiry. I come at once to what I hold to be the central error of all land nationalisation theories whatever. It is assumed in all—

(1) That property in land is something different *toto cælo* from any other kind of property.

(2) That property in land represents a mere legal right, nothing of real value apart from its arbitrary and fictitious value.

(3) That property in land retains its value without any act or expenditure on the part of the owner.

(4) That there is some mysterious wickedness about ownership of the soil, some social mischief which is not at all shared in by mere permanent occupation of the soil.

Every one of these assumptions is false. The appropriation of the soil rests on precisely the same grounds as any other appropriation. If there is anything wicked and socially mischievous in private property in land, the same wickedness and mischief exist in any other private property. The former is the appropriation of an immovable and the latter of a movable; but there the distinction ends. There are things far more rare than the soil, and quite as essential to human life. The appropriation of all the salt in India, or of all the coal or wood in England, would create a monopoly far more formidable, and would sooner make the monopolist master of the community than any possible appropriation of the soil. Raffaele's pictures and ancient statues are far more rare than even the soil of these islands. And fuel, ships, or iron are quite as necessary to existence.

If property becomes sin, when extended to things of which the supply is limited, the ownership of diamonds, coal, antiquities, and ancient manuscripts must be even more unholy. To lay down a social law that no one shall own anything which is much wanted by others, would apply in turn to almost every subject of property. Food, building materials, horses, minerals, even books and newspapers, become in certain societies and under certain conditions, things of special desire, and suddenly enrich the fortunate owners. The unearned increment applies to everything in turn. The window of an attic which commands the view of some historical scene, the house in which Shakespeare lived and died, the *Times* newspaper with the account of the battle of Waterloo, suddenly become a fortune in the hands of some lucky owner. It is as much or as little criminal to own them as to own a bit of soil. If rarity and a general

desire to possess them make things incapable of appropriation, the rule should apply to thousands of things besides land.

Immense nonsense is afloat respecting 'the unearned increment.' The unearned increment is the result of civilised society which gives special value to various things, quite apart from any act of their possessors. In a besieged city, the fortunate holders of food, in a war, the possessors of ships, saltpetre, guns, and the like, suddenly find that their property has 'an unearned increment.' The buyers of the first edition of the *Modern Painters*, Turner's *Liber Studiorum*, or Tennyson's poems, are in the same case. Those who have bought a piece of land in a spot where a town begins to rise are in precisely the same position. It may be quite right for the State to prevent the possessors of the soil from hindering the free development of the town. But why should the State confiscate the 'unearned increment' of the piece of ground, and not the 'unearned increment' of the book, the grain, or the saltpetre?

Nor is it true that land is a positively limited thing. There are still boundless tracts on the earth's surface not actually occupied. Land is in no sense so limited as wood, iron, coal, salt, not to speak of Greek statues and illuminated manuscripts. And in each country, even in ours, the quantity of cultivated and useful land is a constantly fluctuating amount. The land in practical occupation is now probably one-fifth more than it was fifty years ago; and perhaps one-twentieth less than it was ten years ago. The land of any country in actual occupation varies from year to year very largely, far more than iron, coal, wood, or old books and pictures vary in amount. At this hour, there are millions of acres of the soil of these islands which are perfectly at the service of Mr. George and his friends, at a rental of 1s. an acre, if he likes to lease them, and to convert them into good farms. It is untrue that the soil even of this island is all allotted out and closed for ever. There are millions of acres still to be had which might be made perfectly serviceable to man at an outlay of so much per acre. What is lacking is the capital or the labour willing to convert them. For practical men well know that to convert these waste lands into farms would involve a ruinous loss. It would not pay one per

cent. Why, then, should the 'State' be required to make an outlay which is certain to prove a ruinous loss ?

This brings us to the point that property in the soil represents not a bare legal right to exclude others, but the actual expenditure of capital and labour. The underlying fallacy of Mr. George is to think that land is a thing like the sea, and raising produce from it is a simple process, like catching fish. There are exceptional cases and extreme limits. But an ordinary farm is as much artificial as a house or a factory. Good farm land in England is the work of enormous outlay and labour. In its primitive condition it was moor, swamp, thicket, or sandy wilderness. Perhaps not a twentieth part of this island in its original state (Mr. George would say as God made it) was of any use at all to man. There is hardly an acre of cultivated land in England which has not been made cultivable by a great outlay of labour and capital. It has really been as much built up as a railway or a dock. Immense tracts of fine farm land have been in this very century slowly won from a state of barren wilderness, by continuous labour and the enormous expenditure of capital. The whole of the corn lands recently gained from the open down and moor, forming large parts of eight or ten southern and south-western counties, the vast and fertile regions in Lincolnshire, Cambridgeshire, and other North-Eastern counties, redeemed from saltmarsh, fen, and swamp, have been made quite as completely by human industry as a ship or a steam-engine.

It is idle to repeat sophistical platitudes that God made the earth, but man made the ship or the engine. The ship and the engine are merely materials found on and in the earth, worked into useful forms, and arranged by human industry to serve man's wants. So is a farm. No farm in England is in the state in which it is supposed that God left it at the creation of the earth. It has been worked up and re-arranged by human labour extending over centuries. The farm is also, like the ship or the engine, a mass of the earth's materials so changed and placed that it can grow food. Apart from that labour, an acre, say, in the Bedford Level, or on the Wiltshire Downs, would be as perfectly worthless as an acre on

the top of Snowdon or on the Goodwin Sands. It is certainly immovable, whilst an engine or a ship, under conditions, and with great expense and labour, is movable. But this is a mere incident. A ship stranded is also immovable; and so is an engine, in the absence of capital to move it. Hence we find that large portions of the soil of England have every quality possessed by other purely personal property, which Mr. George does not propose to touch. Even he would be scandalised at a proposal to confiscate the ships and engines built and owned by private persons, on the ground that their material was simply a portion of the earth's soil, which no man has a right to appropriate. Society judges it wise to guarantee property in ships and engines to those whose capital has procured them to be built, in order to encourage citizens to employ their savings in a way useful to the community. On precisely the same grounds it guarantees property in the Bedford Level to those whose capital has procured it to be made.

The Bedford Level is no doubt an extreme case. But it is only a matter of degree. Hundreds of thousands of acres in England have been made by human toil, skill, and capital, quite as completely as the Bedford Level was made out of tidal swamps. To a very great degree every cultivated acre in England has also been so made. Clearing of timber and brushwood, of stones, weeds, and other growths, draining, fencing, damming, bridging, making roads, barns, farmsteads and the like, ponds, wells, watercourses, and the hundreds of works without which the land could not bear produce—these costly operations were necessary for every farm alike. If the people, by God's law, have a right to God's earth, they can only have a right to that earth in the state in which God created it.

Let us assume that Mr. George is right, and that we agree to hand back the soil to the people. It would be grossly unjust to hand it back to them in any other state than a state of nature. Assume that we could replace it in that state, in the state, say, in which Julius Cæsar saw it when he came over from Gaul. This island then consisted of pathless tracts of jungle, fen, moor, wood, and heath. The valleys of the great rivers were periodically under water; the estuaries on the

coast were boundless salt fens ; the uplands were sandy or stony wildernesses ; there were only two or three varieties of tree ; four or five very common herbs ; and about as many coarse wild fruits. It would be impossible for any but hunters and coracle boatmen to get about the country ; there would be hardly any food for man or cattle ; neither man nor beast could live anywhere except on patches here and there, mostly in aquatic villages or on detached and stony hills. At the utmost, one-twentieth of the soil could be used for human produce, and that only in the rudest way for a few necessaries. Nineteen-twentieths of the soil would be as absolutely useless for human food as Dartmoor and the Wash are now. That is the condition in which God gave the soil of England to the people of England ; and that is the condition in which they should, by God's law, receive it back.

To seize it, after centuries and centuries of labour have been, by man's law, expended in utterly changing its very face and nature, would be monstrously unjust. We have lately by legislation remedied what most of us hold to be a cruel injustice in Ireland, where the labour which A had put into the soil was confiscated by B. In Ireland, the mountain-side and the bog had often been won into cultivation and usefulness by the incessant labour of some tenant, or perhaps squatter or bare occupant. Mr. George has justly inveighed against the outrageous injustice done, when the farm so reclaimed by the labour and capital of the peasant was claimed, plus its improvements, by the mere owner of the soil. We heartily agree with him. On what ground? Because we find it unjust that the men who may fairly claim the soil should plunder, along with the soil, the visible result of another's labour and capital. In England it is not the occupant but the owner, or those whom the owner represents, who have expended on the soil that labour which alone has made it useful to man. Mr. George, therefore, is going to do in England exactly what he and we find so monstrous in Ireland. Granted that the soil of England belongs to the people of England. Then he is calling on the people of England not only to seize the soil, but to confiscate the enormous wealth representing the outlay by which the soil has been transformed. He is going on a colossal scale to repeat

the injustice which in a very minor form we have just redressed by legislation.

Some schools of land nationalisation propose what they call compensation on this confiscation. What they propose is, however, no compensation at all. It is not, and never can be, any kind of equivalent for the capital expended. The strict prairie value of agricultural land in England would hardly amount to one year's rent. The improved value, representing capital expended in making the prairie cultivable, would usually exceed twenty years' rent. It may be doubted if 2,000,000,000*l.* would go any way in making the soil of England what it is to-day, supposing that it were in the state in which Julius Caesar, or even William the Conqueror, found it. The idea that the owners of the soil simply represent a parchment-right granted ages ago by some sovereign or paramount authority is almost too ridiculous to discuss. There is perhaps not a single enclosed and cultivated acre in England on which human labour has not been expended and paid for far in excess of many years' rent; it would be easy to show that in some spots forty, fifty, even a hundred years' rental would not cover the loss and outlay sunk in making it fertile. We ought to calculate, not merely the bare clearing, draining, and inclosing the particular farm, but the whole of the permanent works needed to make any given district cultivable as it now is—the vast and ancient operations of dyking rivers, estuaries, and watercourses, the road-making, bridge-making, and planting, the sum of those labours which make an English county so utterly unlike the same soil in the days of the Heptarchy¹. It is as great a difference as that between a frockcoat and a sheep's fleece. Mr. George might as well claim the coats off our backs, on the ground that God made the sheep, as the farms which have been made by human capital and skill.

It is idle to seek now to unravel all the titles to every plot.

¹ The works here spoken of are all the beneficial constructions for the permanent improvement of the soil, made at the cost of successive owners of the land. It does not include high roads, bridges, or other works paid for by the parish, the county, or any public body. Everyone knows that in every large property there are occupation roads, bridges, dykes, and other works necessarily paid for by the proprietor.

in England. The notion that the soil of England is held to-day under grants made by Norman and Tudor kings is obviously childish. It would be easy to show that an immense proportion of it is now held by the assigns of those who paid hard money or money's worth for it. Somebody gave or paid for the labour; and it would be as idle to trace back the heirs of the original labourers as it would be to find the men who made our coats, or the heirs of the bricklayers who laid the walls of our houses. In civilised society the legal ownership of an article is assumed to represent the value given for the labour expended on it. If every man were liable to have his coat confiscated off his back, unless he could show that he had paid his tailor, that the tailor had paid the clothier, that the clothier had paid the farmer, that the farmer had paid the shepherd, and so on *ad infinitum*, civilised society would cease to exist. There is no more reason in land than in anything else for calling on the legal owner to show that he has personally paid the value expended in making the article, be the article coat or farm. As a matter of fact, a very large part of the soil of England has been acquired for value given within recent generations. Even the estates of our peers, whose Norman names excite Mr. George's democratic sensibilities, have usually been acquired, directly or indirectly, through purchases by capitalists or marriage with the children of capitalists. It was amusing to read Mr. George's denunciations of the London estate of the Duke of Westminster, which he told us was a grant from a Norman king. Everybody knows that it comes by inheritance from a worthy yeoman, who farmed his own estate, and left it in due course to his grandchild. The grandchild's descendant about a hundred years ago obtained a title. But the right of the Duke to the soil is precisely the same as Mr. George's right to anything which was left to him by his grandfather. There are no Norman kings in America, and no land-laws made by an aristocracy. And yet precisely the same evils of land monopoly exist there, we are told, and the same policy of confiscation is recommended. Who are the people of England to whom God gave the soil? Are they the descendants of the aborigines, of the first occupants, of the Britons, Saxons, or the mediæval yeomen? Have not the Welsh, the

men of Cornwall, the Highlands, and the West of Ireland the best title to the soil of their ancestors? And in America God certainly gave the soil to the red-skin; and by the law of divine justice one would think that New York, Boston, and Chicago should be restored to the remnant still left in the Indian reserves. Absurd panaceas can only be properly exposed by pointing out the absurd consequences which logically they involve.

Not only does the owner of a farm represent those who have expended capital in creating it, but the farm would soon cease to exist if the owner did not continue to expend capital in keeping it going. Next to the fallacy that the landlord has done nothing to make the land, comes the fallacy that he does nothing to maintain it. An ordinary estate requires periodical expenditure, amounting at the lowest to 10 per cent. of the rental, and which is often twice, thrice, or four times as much. Official reports from one of the great estates in the kingdom show that in sixteen years nearly three-quarters of a million sterling has been expended. Of late years much of this outlay has been incurred along with a reduction of rents. It may well be that much of this expenditure is in permanent improvements which will ultimately represent increased value. But in England an immense proportion of this expenditure has nothing to do with profit or speculation. It is voluntarily made by the duty or pride of ownership, just as parks and gardens are kept up without any view to profit. Farmhouses, farm buildings, cottages, schools, churches, clearings, plantations and model farms are placed on the soil by rich landlords out of their capital. The country gains largely by this; and the reason that so many parts of England are cultivated like gardens or home farms is that the owners, having immense capital from resources other than agricultural rents, are able to indulge their pride or their sense of duty by expending enormous sums in improving and beautifying their estates. One landlord in 16 years spent in farms, cottages, &c., 290,000*l.* Another, in 3 years, 60,000*l.* Another, in 17 years, 30,000*l.* (rental reduced). Another has, in 10 years, received 50,000*l.*, out of which he spent on the land 43,000*l.* without increased

rental. These improvements are all in country estates, and in different counties.¹ Instead of the great peers carrying off the rentals of their farms to be consumed in extravagance, the farms are often kept in their present high condition because vast sums acquired elsewhere are poured into them. I am certainly not prepared to utter one word in defence either of our landed system or of our concentration of land in a few hands, least of all in defence of the unsocial extravagance of the rich. But on the whole I believe that great landlords in England administer their estates with more sense of public duty than bankers or merchants employ their capital.

On the whole I estimate that an annual sum of at least ten millions is needed to keep our agricultural land at a high level of condition, in building, draining, fencing, clearing, planting, in roads, dykes, watercourses, bridges, and so forth. In a country changing so rapidly as ours, and with daily advances in scientific farming, this outlay is required to keep abreast of the general progress. Were this not expended the fertility of the land would rapidly deteriorate and ultimately cease altogether. Any large tract of ordinary country left to itself for a generation would return to a state of nature, and in two or three generations it would be as uncultivable and as uninhabitable as the moor or the fen of our ancestors. An ordinary estate requires a continual expenditure of capital to keep it going, just as a ship, or a railway, or a cotton-mill. The sole justification of ownership of the soil is that this is done by the owner. In England it is done by the

¹ These cases have been given to me privately, and in each case with exact figures supplied from the agent's office. They belong to a large class of English properties which are owned by men of great wealth and managed on liberal principles, without any idea of exacting the maximum rental. They are not at all the strongest cases to be found. The entire rental of some large estates is expended on the property. I know myself of two properties owned by millionaires, one of 13,000*l.*, the other 4,000*l.* a year, from which for years past no income has been taken off the land. I cite these cases not to claim any merit for the owners, nor as a defence of the landlord system, but to prove a plain economic fact, viz., that a large proportion of the estates in England are managed without any reference to pecuniary profit, and that immense sums are, as a fact, annually spent in improving the land by the owners. The question whence that money comes is a perfectly distinct issue.

owner, and, on the whole, done well. It is well done mainly because the soil of England is owned by men, very many of whom are rich apart from their rentals from farms. If an annual outlay of ten millions be taken (for illustration) as the amount required to keep our agricultural land in a high state of productiveness, I shall assume that no less than fifteen millions are annually expended on it now, if we include every kind of outlay—churches, schools, cottages, model farms, houses, gardens, plantations, of every kind: in fact, all that is not accomplished by public taxation.

Where is this ten or fifteen millions annually to come from if the State confiscates the soil? To throw it on the occupant or farmer is to overburden him, already unable as he is to stock or work his farm from want of capital. He will have, as now, to pay his rent or land tax to the State. Otherwise the State will derive no benefit from confiscation, and will simply make a present of the land to the farmers. But if the farmer, besides paying his rent, is to find the annual outlay for repairs and improvements, none but capitalists, or the nominees of capitalists, will be able to farm. Hence, the ten or fifteen millions must come either from the State or from land banks. If from the State, then a large slice of the State's new land tax will be cut off. And what a prospect of State intervention, jobbery, and mismanagement is unfolded by a scheme which puts every farm under the direct management of the State; which substitutes for all the land agents and landlords in England a huge department at Whitehall which would have to give an order before any gate, barn, or ditch in the kingdom could be repaired.

It has been suggested that the difficulty is met by leasing the State land at a lower rate. This does not meet the case. In the first place, the State will have to see that the sums required for improvements are actually expended. That would involve minute and constant inspection, followed by eviction in case of default. What an endless source of discontent such a system involves! Again, a large part of the expenditure now made by great landlords is far in excess of what a public department could or would exact from farmers with small capital. Yet if that expenditure is sacrificed the country, at any rate

the land, would be the loser. Lastly, a large, irregular, and occasional expenditure, which is easily borne by a great capitalist, is not so readily met by a farmer without capital. A farmer, now paying 200*l.* a year rental, needs, we may suppose, a new house, buildings, and appurtenances, to cost 2,000*l.* A landlord easily finds that sum. It is a very different thing to call on the farmer to find it, even if his rent be reduced from 200*l.* to 100*l.* per annum. The seamen who navigate an ocean steamer could not find the capital to work it, even if their wages were 500*l.* a year.

Suppose, on the other hand, that the State declines so gigantic and so unpopular a task, and that the ten or fifteen millions are found by financial corporations—land banks of some kind. That is to institute a vast system of mortgage over the face of our country. Mortgages are bad enough when created by a landlord; they are far more ruinous when the farmer or peasant is indebted. The State would be the mere over-lord, receiving the true rent under the name of land tax, as in India or Egypt; and the cultivator—call him peasant, farmer, or lessee—would be the bond-slave of some money-dealer, who would be his mortgagee and practical master. The place of landlord would be taken by some banking company in London. This is what happens always where the cultivator is without capital, and yet where he has himself to find the sums periodically needed to keep his land in condition. This is why the Egyptian fellah, the Indian ryot, the peasant in Russia and Eastern Europe generally, is the bond-slave of the money-lender. Even in France, Belgium, or America, where the peasant has unusual qualities of industry and thrift, the poorer class of farmers are bowed down by mortgages and loans. How could it be otherwise? No magic will get rid of the need for constant outlay to keep the land in condition; nor will any magic supply the small farmer—call him what you will—with the capital needed. At present he can hardly buy his stock and manure. How is he to find, then, ten or fifteen millions more, if we abolish the landowner, who now finds this sum? He can only find it by borrowing; and the lender will be more or less master of him and of his land.

Suppose that, by a short Act of Parliament, the payment of rent were abolished, within a generation the present farmers, who, as a rule, have neither large capital, nor the habit of accumulating a large capital, would be deeply in debt for the sums required to renew buildings and develop cultivation. Where there is need for continual outlay of capital, borrowing is the only means by which a class without capital can meet that outlay, however easy be the terms on which the holders may get the land. The land question is a question of capital. No legislation can create capital where it does not exist, and where the habit of accumulating does not exist. But the nationalisation scheme does not pretend to abolish rent. It only converts rent into land-tax; that is, it changes the persons to whom rent is payable. The landowner system is a device for getting capital on to the land. If we abolish the landowner, then, as the farmer has not adequate capital, it must come either from the State or from lenders.

The English schools of land nationalisation usually proclaim as their aim the formation of a number of small farms leased from the State, with fixity of tenure—in fact, the legislative creation of a system of permanent peasant occupation. There are great social advantages in peasant proprietorship, and in any system where the actual cultivator is in free possession of the soil he tills. I am wholly convinced that to occupying ownership, without legal limitation on the extent of the holding, we must ultimately come. But the questions before us are these: First, can we create such a system at a stroke by legislative compulsion? Secondly, in order to do so, need we start with such a tremendous revolution as abolishing property in land? Thirdly, when we had done it, would the advantages (apart from the dangers and evils) be at all commensurate? To these three questions I answer, No!

If every rural labourer in England were suddenly by law declared the absolute owner of ten acres, other conditions remaining unchanged, within a few years the productiveness of the soil would be reduced by one half, and in a few generations large properties would be again the rule, and the bulk of the labourers would be in a state of dependence. It is impossible,

in a country like ours, to force society back into the primitive simplicity of Switzerland and Norway, even if it were desirable. It is useless to make peasant proprietors or independent farmers by law, until both have the habits and the capital needed to work such farms or holdings to a profit. Then, when we had 'planted our people on the land,' we should at most have provided for one million of earners out of our twelve millions of earners, for if the holdings were too small, production would be arrested. How should we have improved the condition of the other eleven millions of earners? To hope that we should have abolished wages, even in agriculture, is an illusion. There is not a country in the world where the wage-receivers do not exceed the proprietors tilling their own land. And in a system of peasant ownership the wage-receivers are often worse off than elsewhere.

If our soil is to be well cultivated, the lots—call them farms, properties, or holdings—could not, at the outside, exceed a million, and would probably be quite small enough if they amounted to half or a quarter of a million. If these lots are to be well tilled, some one must have full control over each, call him peasant, farmer, owner, lessee, or occupant. Unless such occupant has permanent tenure, with full power to transmit to his assigns and successors, he will not put capital into the land. Unless he has capital of his own he must borrow it. When he is a systematic borrower he will cease to be a free proprietor. And when financial rings hold under mortgages the soil of England, we shall simply have established for the landlords whom we see, and who (in England) live on their estates and usually take some pride in them, invisible money-dealers living in distant cities. What is there in all this to transform industry, reorganise our social system, and offer a millennium to the thirty-five millions of these islands?

Our English schools of land nationalisation adopt the principle merely in name. Mr. George proposes a genuine Communism, so far as land is concerned. If his scheme is to have the grand social results which he claims he must abolish all property in the soil as an institution. It is, according to him, from the sinful institution whereby plots of God's earth are nefariously allotted to private persons in full control that

poverty, bad trade, rotten finance, injustice, fraud, and even prostitution, spring. But the practical result of our English land nationalisation movement is, not to abolish, but greatly to strengthen this malignant institution, the appropriation of the soil. The English schools seek to make many more persons the virtual masters of the soil. Nationalisation, in their mouths, is reduced to a phrase. The State is to be declared sole proprietor. Well, that is nothing; such is now the law of the land, a law acted on daily, when land is taken under the compulsory powers of a thousand Acts of Parliament. But names apart, the new allottees of the farms or plots will be quite as much proprietors, in the anti-social sense of the term, as the Norman barons who now own them. Unless the allottees have permanent occupation, with fixity of tenure, and freedom to transfer, charge, and devise them, the land cannot be properly worked. Some persons or other, by a law of nature, physical nature and human nature alike, must have full control over the soil, unless it is to waste and go to ruin as land does in Turkey or Persia. But permanent occupation, with fixity of tenure and freedom of assignment, is proprietorship in other words. It will exercise over society all the same effects. The new allottees will accumulate estates, and in a few generations will be just as selfish, tyrannical, and indolent as the Norman barons. They will be just as much the enemies of the human race. Why not? We shall have changed the persons of the proprietors; but how shall we have changed the proprietor nature? Instead of Lord Wolverton, a London banker, or Lord Ardilaun, a Dublin brewer, who care little for the rentals of farms, we should have got a dozen small capitalists who had saved money in iron, and a dozen more who had prospered in coal, butter, or mutton, and who are not likely to be easier landlords.¹

¹ In Professor Newman's paper, 'written on behalf of the Land Nationalisation Society,' he says:—'The aim of our society is to establish a state of things in which small independent plots of land shall be procurable everywhere.' As the aim to be reached, he speaks of farms 'being multiplied through peasant freeholds.' Now to maintain such a system in England, even if it could be created by law, two things are absolutely necessary—(1) limitation by law of the size of holdings, (2) prohibition against sub-letting. Both of these conditions are impossible. To attempt them would lead to an unendurable tyranny.

In what I have said I do not by one word accept the actual land system as satisfactory, or our present social condition as tolerable. I am as eager as any Socialist to transform our landlordism as a permanent institution and to find a higher standard for our general industrial life. I see certain great advantages, chiefly economical and material, in our present system of landed estates; but I am very far from believing that these counterbalance its grave social evils. But these are to be dealt with, I hold, by the class of measures long advocated by all schools of radical land reformers. I am as anxious as any man to see a large body of peasant holdings freely springing up on our land. I look for a large body of working farmers, with permanent interest and complete freedom in their own farms. And I see social and moral evils of the worst kind in any system which practically severs (as ours does) the ownership of the soil from any responsibility to superintend its cultivation. That is to say, there are grave evils to society where estates in the mass are simply leased or loaned for hire like money. These evils, however, can be remedied by a reform of the land laws, by abolishing all the legal and social privileges peculiar to the ownership of land, and by a resolute scheme of land taxation. Under such a system of reform it would simply not pay to be the nominal owner of a great estate. A great estate would become a mere burden, and not a very honourable one, except where a man of vast wealth might choose to devote a large part of it to the public service, by keeping up an estate without profit. However, after all the changes, I am not sure that the tillers of the soil will be, in material conditions, quite as well off as many are now who hold under the great Bedford, Devonshire, Portland, Buccleuch, and Northumberland estates. But, on the whole, the social objections to the maintenance of an indebted, idle, and exclusive squirearchy are so serious, that we should by every legal obstacle limit the formation of a landlord class whose social function is sport, and whose economic function is to spend what rent remains after keeping the estate in productive efficiency. Economically speaking, there is some social justification for dukes and millionaires as landlords, for they sometimes put almost as much on to the

land as they draw off, and they offer types of high agricultural efficiency. It is the squireen, with one or two thousand acres, with no capital, no occupation, and few useful faculties, who is without any *raison d'être*; being, like his own cherished fox, a survival of the unfittest in modern civilisation.

In what I have said I strictly limit myself to England, and to rural estates. If the system cannot be applied to English farms it fails altogether. The social and economical conditions of the greater part of Ireland, and even of Scotland, are so very different; the social justification of the landlord there is so much less even when it exists at all, that very different reasoning applies to the ill-managed territories of so many Irish and Scotch absentee landlords. I also have been speaking exclusively of the soil in country, not in cities. I am quite prepared to see the State, through local authorities, assert in towns a permanent right to control the disposition of the soil in such ways as experience shall prove to be most useful to the public. Abstract rights of property should no more be an obstacle to laying out our cities as health and convenience suggest, than they are now in making a railway through an estate. What we want are a set of Lands Clauses Acts applying to any soil in towns, and vesting control over it in proper local authorities. And we shall want very stringent provisions to check owners from doing anything contrary to public interests, or from receiving fanciful compensation for their own laches and obstruction.

Even then we ought to see more wisdom and honesty in local authorities before we can confidently entrust to them the work now done for the most part by great landowners. The municipalities of Paris, New York, San Francisco, or Melbourne are not model trustees of public interests; some think that even the Corporation of London and the Metropolitan Board of Works are far from all that is wanted. Is it quite certain that either of them would abolish misery and unhealthy dwellings the moment we had handed over to them the control of the Bedford, Salisbury, Portland, Portman, Grosvenor, and Cadogan estates? We may take it at least as certain that in the management of these neither fraud nor oppression is directly charged against

the noble owners, other than such fraud and oppression as Mr. George finds in the act of owning land at all. To a citizen of Paris, New York, or San Francisco, accustomed to associate municipal government with bribery, rings, corners, and public plunder, such a state of things would appear an impossible utopia. Everyone who knows London can see how unfounded and even ludicrous are invectives against the peers who own considerable districts in our city. Large as these estates are, they do not account for a quarter of the area or the population. So far from these being the districts where suffering is greatest, they are altogether those in which it is least. The central, eastern, northern, and southern districts of London, where the dukes do not own a house, are those where the misery and overcrowding are the worst.

Misery and overcrowding as great, if not greater, are found in Paris, Berlin, Naples, Lyons, Rouen, New York, and Melbourne, where there are no Norman barons, no dukes owning whole quarters. Everybody knows that Mr. George's famous gates near Euston Square were set up for the convenience, not of the duke, but of the inhabitants of the quarter. They are doubtless a public nuisance, but if the soil belonged to the parish we might have a dozen more set up. This is a specimen of the rhetoric to which Mr. George treats us. Happily our English reformers do not adopt this outlandish style of reform. I am certainly no friend of landlordism as an institution, or of aristocratic social traditions; I am for radical land reform both in town and country: but justice forces me to say, that amongst our great landowners, both in town and country, are to be found those men who, of all the rich and powerful in England, I will say of all the rich and powerful in Europe, administer their estates with the greatest sense of social duty and responsibility to public opinion. And when we have got rid of them, we shall have got rid of much that it will take us a long time to replace.

On the whole, whilst we must thank the Land Nationalisation movement for directing attention to many important truths, and whilst we may heartily go along with the spirit which inspires it, we cannot accept the chimerical hopes and the

blind leap in the dark which it offers us as a remedy for all industrial evils. We should sacrifice for a mere dream all the solid results won by radical reform and practical experiments; for it would plunge us into a social revolution which might last for generations. The talk about 'planting the English people on the soil' is surely mere words. However successful the plan, it could only plant about one in ten of our families on the soil. The twenty-six millions of Englishmen cannot all be planted on the soil; they are not Swiss or Norwegian woodcutters, nor are they all desirous of retiring to the country on a competence. And when they were planted on the soil, how would they live and earn a living if they have neither capital nor skill to work it? We might as well talk of planting the English people in the shops, or warehouses, or offices of England. What would they do when they got into the offices and shops without capital or business habits? A tailor presented with a cottage and ten acres would starve as quickly as a farmer would starve if presented with a lawyer's business as a going concern. There are now thousands of farms 'on hand' because, rent or no rent, there is no one with capital and skill who cares to take them.

Of the State management of capital, i.e. of simple Communism, I say little now. We have not before us a definite statement of the views propounded by any systematic school of Communism. There are several organised bodies putting forward proposals of a more or less Communistic character; and within our generation we have seen several Socialist movements of a more or less systematic kind. In what I say now I speak of no body in particular. I shall deal with the Socialist and Communist language which is to be heard nowadays in several quarters, both within and without the publicly-constituted bodies. There is not a little floating Socialism current around us. I neither fear nor despise Communism. I am anything but opposed to its motive spirit or its aspirations. I honour its generous instincts, and I sympathise with much in its social aims; for undoubtedly some of the noblest characters of our day are in sympathy with them, and it counts in its ranks men of heroic devotion to a social ideal. Nor need we undervalue its forces and the future destiny before it. On the continent

of Europe it is already one of the mighty factors of social evolution. We shall have it here, I doubt not; though hardly in any form that is yet presented to us. But in what form, in what system, with what doctrines, is Communism presented to Englishmen to-day? The Communism which alone has ever had a serious following—the Communism of Owen, Fourier, Saint Simon, Lassalle, and Karl Marx—had a social system of some kind, a body of logical doctrines, and an ideal of human society, however vague and extravagant. But the Socialism in many quarters now preached amongst us has none of these—neither economical theory, nor social scheme, nor system of life of any kind. It offers nothing but invectives against the rich, fancy figures for its statistics, and appeals to the poor to begin a social insurrection. It has no economic, social, or political doctrines. It propounds no intelligible religious principle—no scheme of morality, of government, of institutions, of education, of domestic, industrial, or civic life.

Now no real insurrection was ever made by pure anarchists. The people must have something to believe in, to hope for, and work for, before they will seriously rise. Incitements to plunder and to destroy do not touch the people, who need some great moral cause and some ideal in view to stir them profoundly. But Communism, as presented in England, offers no moral cause, no ideal. It has never faced, and has nothing to say about any one of the great social problems, about religion, morality, education, government, public or domestic duty. It is not Communism: it is mere Nihilism. Communism implies the systematic organisation of life on the principle of community and not of individualism. This Nihilism, which pretends to be Communism, simply proposes the confiscation of property. How the capital so confiscated is to be worked—under what moral code, by what institutions, and for what social aim—on this it has nothing to say. How can it have? The small knots of propagandists whom we find here and there—some of them in organised societies, some in the press, the pulpit, or on platforms—seem to have no agreement about these things. Some are ministers of the Gospel; some profess materialism pure and simple; others belong to every intermediate phase of opinion.

Their views about morality, education, government, and society are equally various. Now, although an economist is not bound, as such, to have any moral, religious, or educational programme, a Communist is bound; for if people are to work in common they must be trained in common. Every serious Socialist or Communist school has provided for this. The interesting part about true Communism is that it so fully realises the impossibility of production on a Communistic basis without a complete set of institutions to mould life generally on a corresponding basis. All true Communists have seen that it is impossible to found a Communistic mode of industry without destroying private life. Hence they begin by attempting to found a set of social, family, and religious institutions to eradicate all traces of individualism. If they do not do this they know that Communism in labour is impossible. But the various groups who in England to-day advocate some vague Communistic proposals do none of these things. They may denounce our social sores, they may call every man who does not agree with them mere *bourgeois* (to these young gentlemen even trades-unionists and co-operators are all *bourgeois*—the real English workman does not even know the word *bourgeois*); but, in the absence of any social scheme, they will not penetrate the body of English workmen.

Communism in a systematic form is, perhaps, not advocated amongst us. But Communistic proposals and Socialist schemes have little meaning unless they can be placed on a logical footing. The only Communism which is worth serious notice is that complete Communism which seeks to transform all private property into Collectivism, or common property. It would be strange if English workmen, who have laboured so long and sacrificed so much in order to share with their fellows some of that security and independence which the legitimate use of property gives, and who have organised, patiently such powerful agencies for checking the abuses of property, were suddenly to declare for universal confiscation in the blind chance that something might come of it. Trades-unions, co-operative, building, land societies, and the rest would all disappear, for they all imply the institution of property. The numerous associations of which we have here

the delegates would have no *raison d'être*. There would be no hope of a plot of ground for the countryman, of secure tenure of a farm, of a homestead of his own for any of us. There would be no 'Union' on one side and employer on the other; no personal relation between any capitalist and any labourer or any farmer. There would be but one employer, one capitalist, one proprietor, one general manager of everything and everybody. That one would be the State. But what is the State in any intelligible sense as sole landlord, sole capitalist, sole manager? The State, we know, collects taxes and manages the army and the navy, and some persons are not satisfied with the way that these trifles are managed. But what is the meaning of the State, the possessions of which should be the aggregate capital of the kingdom, and the spending departments of which would have to pay in earnings alone a thousand millions a year to twelve millions of persons? And on what principles, by what institutions, and what machinery, is this fabulous task to be accomplished? As no one has as yet given us any intelligible answer to this problem, it will be wiser to adjourn so vast a question.

From all that I have said it will appear that, whilst I hold as strongly as any man that our industrial system is socially unjust and unsound, I look upon none of the industrial schemes I have considered as going to the roots of the question. Our industrial system is vicious, because our moral, religious, and social system is disorganised. It is impossible to regenerate industry until we also regenerate society. Trades unions, co-operation, and all the mutual benefit movements, are useful in their way, but they only touch the surface. Land confiscation could only affect a minority, and would not very clearly benefit them. Land confiscation is only a fragmentary and partial kind of Communism; and Communism itself, as we hear of it to-day, is only a more sweeping confiscation, and a fragmentary and partial kind of social disorganisation. Property is only one of many social institutions; and industry is only one of many human duties. To make property a little more common, more accessible, to check some abuses of property here and there, may be exceedingly useful when wisely accomplished;

but it cannot in itself alter human nature, life, and society. Even to abolish property, and to make a strict code for industry, is only to get rid of one social institution, and to regulate one of many human duties. To expect a millennium from any kind of partial remedy is like giving pills to cure a fever. Industry can only be regenerated by regenerating society. And society can only be regenerated by sound religion, true morality, right education, wise institutions, and good government.

The root of the matter is that we can only change the general conditions of industry by changing the spirit in which industry is carried on; and we can only gain partial and temporary improvements by mending this or that industrial institution. Whilst men as a rule pursue their own desires and interests, the strongest and the most lucky will get the best of it, and the weak and the unfortunate will be cruelly used. And such is the ingenuity of human skill and the force of self-interest, that, alter as we please the mechanical modes in which industry is arranged, the strong and the fortunate soon contrive to turn them to their own advantage. The best proof of this is to be found in Mr. George's own books, especially in his last. He shows us that the industrial evils he denounces grow to immense proportions where all the social conditions and industrial arrangements are varied, and society begins with a mere *tabula rasa*. Almost the only point in which the Pacific territories of America originally resembled England was this, that the passion of self-interest was imperfectly controlled by a sense of social duty, and in the case of the States was even abnormally stimulated. Here then, in human nature, without sufficient moral control, is the source of all this evil; and it is melancholy to see a man of genius labouring by a set of sophisms, each more preposterous than the last, to show that its source is in property in land.

If the cause of industrial misery be traced to the passion of self-interest, and to a low sense of social duty, there might seem to be no more to be said. We should have to wait for a general improvement in civilisation. But there is more to be said. Industry has managed to develop a moral code of its own. In politics, philosophy, art, or manners, in domestic or

social life, self-interest is not canonised as the principal social duty of man. In industry it is otherwise. For all industrial matters, in modern Europe and America, a moral code has been evolved, which makes the unlimited indulgence of self-interest, pushed to the very verge of liability to law, the supreme social duty of the industrious citizen. To buy cheap, to sell dear, to exhaust the arts of competition, to undersell rivals, to extend business, to develop trade, to lend on the best security, to borrow at the lowest rate, to introduce every novelty, to double and to halve business at every turn of the market—in a word to create the biggest business in the least time, and to accumulate the greatest wealth with the smallest capital—this is seriously taught as the first duty of trading man. Economists, politicians, moralists, and even preachers urge on the enterprising capitalist that the industrialist does best his duty by society who does best his duty by himself. Banker, merchant, manufacturer, proprietor, tradesman, and workman alike submit to this strange moral law. Almost the only class of capitalists in this island who do not as a rule accept it are, in truth, those great landlords who are the principal object of modern attack. It is assumed as beyond proof that the rapid increase of business, the great accumulation of wealth, is a good *per se*—good for the capitalist, good for society. No account is taken of the business ruined, of the workmen thrown out of employment, of the over-production, of the useless, mischievous, rotten trade created, and of all the manifold evils scattered broadcast amongst the producers and everyone within range of the work. It is enough to have made business, to have accumulated wealth, without coming within the grasp of the law.

Here, then, is the all-sufficient source of industrial maladies. We have come, in matters industrial, to treat duty to others, and duty to society, as only to be found in duty to self. If all employers were as thoughtful of the general welfare of those they employ as they are now eager to get the most out of them; if all producers were as anxious for good, sound, and useful production as they are for paying production; if those who lend money considered not only the security and the interest, but the purpose for which the money was sought; if those who

develop new works thought more of the workers than of possible profits, industry would not be what we see it. In other words, the solution of the industrial problem is a moral, social, and religious question. Industry must be moralised—infused with a spirit of social duty from top to bottom, from peer to peasant, from millionaire to pauper. But to moralise society is the business of moralists, preachers, social teachers; the economist has but little more to add, and his field is not here. But here I must pause. This Conference is no place for moralising or preaching; neither religion nor social science have their pulpits here. And, for myself, anything I could say I must reserve for another place.

State Management of Land.

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THE advantages which might conceivably arise from the State management of land are of two distinct kinds, which may be described as (i.) financial; (ii.) utilitarian.

I. *State management with a view to financial gain.*—It seems to be generally admitted, and can easily be proved, that if full compensation, at market values, were given to existing landowners, the bargain would in all probability be a bad one for the State. The present value of any possible future increment is part of the market value, and accordingly the State could only gain through the occurrence of events unforeseen when the market value was calculated. It is impossible to determine whether the economic rental of this country—that is, the rent paid for the natural qualities of the land, superiority of situation, &c.—will rise or fall during any future period. The present fall in agricultural rents was never anticipated, and it is at any rate possible that increased facilities in the means of communication, or the adoption of different methods of production and exchange, may cause an equal fall in ground rents. Apart from other elements of uncertainty, it is impossible to

foretell the movements of general prices. An appreciation of gold, or, which is the same thing, a general fall in prices, seems at present more than probable, and it would be disastrous for the State to make a vast speculation for the rise in a falling market, and that is the real meaning of full compensation at market values, with a view to financial gain, under present circumstances.

The argument against giving less than full compensation does not rest merely on instinctive morality. In a modern society the stability of credit is of the most vital importance. A serious shock to credit would paralyse the commerce and industry of the country, and the confiscation, or partial confiscation, of land could not fail to produce a prolonged commercial crisis. The unearned increment, as it is called, assumes many forms, and to attack one is to threaten all the others. But even confining the attention to rent, those who advocate confiscation cannot have considered how many interests besides those of the nominal owners of large estates are involved. There can be no doubt that any direct gain arising from confiscation would be far more than counterbalanced by the indirect loss arising from the consequent contraction of credit. Apart from this purely economic consideration, full compensation to existing owners is justified on the moral ground that for generations land has entered into the circle of exchangeable commodities, and the defects of the original titles have been purified by contract. It is no doubt true, as a general proposition, that all wealth is the result of labour, and at first sight it seems quite plausible to say that therefore all wealth should form the reward of labour. But under a system of extended and minute division of labour, the only definite meaning to be attached to the right of an individual to enjoy the fruits of his own labour is the right to the fulfilment of the best contract he can make. There is a very small part of the wealth of any individual which he can claim to have made by his own labour directly; his only title to the remainder depends on an extended series of contracts, and any direct application of the labour test is absolutely impossible in a modern industrial society.

The only legitimate method by which the State can gain from

a rise in rental is by taxation, and taxes to be equitable must be levied on general principles, which it is beyond the scope of this paper to discuss. It is sufficient for the present purpose to state that land is not the only luxury which the actual owners have not made for themselves, and that economic rent is not the only unearned increment, and for further illustration to refer to the learned works of the German socialists.

II.—*Utilitarian advantages of State management.*—Apart, however, from any prospect of financial gain and in spite of the prospect of financial loss, State management may be advocated on grounds which can best be described as utilitarian. The right of compensation being admitted, the State (including local authorities) may in the interests of the community, either (a) purchase certain portions of land and assume the functions of landlord, or (b) diminish the control of private property in land by undertaking the partial management of all land.

(a) It is easy to imagine particular cases in which the purchase of a portion of land by the State might be of advantage to a limited number of the community. The wealth and power of the State are so great that it can remedy almost any particular evil. But this power of the State, which at first sight seems indefinitely large, is kept within very narrow limits by the fundamental principle that it must be prepared to extend the charitable or beneficial course adopted in any one instance to all similar cases. If, for example, it assumes the functions of landowner in one district of the Highlands, it must act in the same way towards the rest of the Highlands similarly situated, and further, unless very special causes of difference are shown to exist, it must extend the same benefits to the whole class of agricultural labourers throughout the kingdom. Similarly, if land is purchased by the State for the benefit of the poor in one city, land must be purchased in other cities for the same reason. Accordingly, any action of the State in the direction of ameliorating the condition of the poor by the purchase of land, whether in rural or urban districts, if it is to be equitable must be of very wide extent. It seems hardly necessary to enumerate the difficulties and abuses which would arise from the State becoming the universal landlord of the poor; the success of the

system would depend on the integrity, zeal, and efficiency of the officials appointed, from the head of a department down to the lowest inspector. In fact, all the difficulties involved in State socialism would have to be overcome. If the management were conducted according to rigid inflexible rules, there would be no scope for variation in particular emergencies, and, if room were left for variation, according to the discretion of officials, there would be equal room for caprice. Much has been written of the abuses of absenteeism, but from its very nature the State would always be an absentee landlord.

(b) We seem then to be reduced by a process of rejection of alternatives to State interference with the management of land in general by a curtailment of some of the existing rights of private property or land, as, for example, in rural districts by judicial rents, valuation of improvements, assignment of land, determination of tenancy, &c., and in towns and cities by similar judicial functions so far as applicable to the case. In the limits assigned to this paper I can only examine the rural problem, and that merely in the briefest manner.

Partial State management in rural districts.—Agriculture is the most important of all industries in this country, and in many ways the general prosperity of the labouring classes depends on the prosperity of agriculture. An increase in the rural population, not due simply to a process of 'making work,' would certainly be advantageous, and an improvement in the condition of the agricultural labourer would be reflected to the towns. At present, whatever may be hoped for as an ideal, agriculture is in this country mainly directed by tenant-farmers, and it cannot be supposed, that whatever facilities for purchase were offered, they would be induced to invest a large part of their capital in the purchase of land. If they did not do so before the recent Acts, which have increased the security of their farming capital, it is hardly likely that they will do so now. The most important practical question then that arises is: How far can the State with advantage take over any of the functions of the landowners as regards tenant-farming? The principal points of possible control are the selection of the tenant, the amount of rent, the

determination of the tenancy, and the compensation for improvements.

Selection of the tenant.—At first sight it might appear that the selection of the tenant might be safely left to landowners and tenants respectively, but in reality several difficult points are involved. The size of the holdings, the nature of the produce, and a group of social considerations must be taken into account. In the Highlands of Scotland at the present time, the essence of the whole agitation on the part of the crofters is a cry for more land. In their view the most important function of a land court will be to effect this object—that is to say, the selection of the tenant is to be handed over to State officials. The demand made is that the large farms and deer-forests should be broken up, and the crofter holdings increased both in size and number. According even to the report of the Crofters' Commission, which, compared with some views widely prevalent, is comparatively conservative, large powers are to be given to the sheriff for the expansion of the townships. At a recent meeting of landowners in Inverness, a promise has been made to extend the crofter holdings as opportunity arises; but it is quite clear that a general promise admits of various interpretations, and it is quite possible that legislation may take the direction of applying the principle so ably advocated by Mill of governmental interference with the view of giving effect to the wishes of the parties concerned. Two distinct courses seem possible. The first is to appoint an executive commission to determine as regards every estate how much land is to be given to the crofters under certain conditions, and the other is to fix a minimum size of holding, determined by the produce it can raise and the stock it can carry, and to leave the landlord to his own devices in making the enlargements necessary. Both plans are beset with difficulties. In some cases the extension would involve compulsory emigration, in most there would be a difficulty in providing stock, and in all it would be hard to draw the line between the substantial crofter and the labourer or fisherman who is to receive merely a garden plot. In addition to these difficulties, according to the general principle of beneficial legislation noted above, the

similar claims of agricultural labourers in other parts of the country must be provided for. A redistribution of land once begun will not stop at the Highlands, even although it is not intended as a precedent. The same circumstances may not be found in other parts of the country, but it is never difficult to find a justification for the extension of a method once adopted. It ought then to be remembered that so far as the Highlanders are worse off than other agricultural labourers, it is due to the subdivision of the holdings on the estates where the landowner has been too weak, too indulgent, or too careless to prevent it, and it seems inevitable that in some manner subdivision must be prevented unless an agrarian crisis on an increasing scale is to recur every other generation. Seeing that on some estates subdivision has been prevented by the strict enforcement of estate regulations, the natural course would appear to be to make the landowners responsible, and if necessary to stimulate them to the observance of the moral law by legal penalties.

Rent.—So far as Great Britain is concerned the evidence appears to show that, with the possible exception of a comparatively small area in the Highlands, there is no need for judicial interference with rent on the ground that monopoly rents are exacted. In England in particular there is a good deal of land which cannot find tenants at nominal rents—in fact (with the exception noted), the advantage of position in making the bargain as regards rent is decidedly on the side of the farmer. The essence of monopoly is not mere limitation—every form of wealth is limited—but absence of competition, and English landowners can no more exact monopoly rents than any other capitalists can exact monopoly profits. Those who are chained down by long leases are of course inclined to appeal to the State, but it is their own fault for embarking on a highly speculative undertaking. A consideration of the causes on which rent depends (*i.e.* regarded as a surplus over the expenses of production) will show that it is extremely hazardous to fix rent for a long period. A Government official would be in no better position than a farmer ought to be in the estimation of these causes. If any change is made in the present matter of fixing rents by agreement, it would be better to borrow a

principle from the French law, according to which a certain amount of gross produce is a condition precedent to the payment of rent, but if the farmers are really anxious to get rid of the speculative element entirely they should adopt a sliding-scale varying with produce, prices, wages, &c.

Duration of tenancy and notice to quit.—From the difficulty of moving agricultural capital from one holding to another the notice to quit ought to extend over a period long enough to secure the tenant from loss and to put him on fair terms with the landlord. The principle is already recognised, and in the recent Act the period was extended, but with the increasing complexity of agriculture a further extension seems desirable. It is difficult to imagine any reason for a closer approximation to fixity of tenure. The success of agriculture depends on effective competition, and fixity of tenure implies exclusion of competitors. A tenant who is unreasonably and capriciously evicted will, if an efficient farmer, easily find a more amiable landlord elsewhere, and if he is evicted for inefficiency so much the better for the community at large. One of the principal evils which would be involved in general State management would be the practical necessity of fixity of tenure. It must, however, be admitted that such an approximation to ownership might do something towards stimulating the industry and hope of very small tenants, such as the Highland crofters, and long leases seem to offer one of the best solutions of their difficulty.

Compensation for improvements.—From whatever point of view the subject be regarded, it seems most important that the maximum of compensation for improvements and security for the investment of capital should be given to the tenant, and it is possible that this object might be best effected by official valuation on the termination of a tenancy. But it seems much more important to determine for what compensation shall be compulsory than the precise amount and the method of valuation. The principle of the recent Act should be carried to its logical conclusion, and compensation given for everything ‘necessary for good husbandry and which does not change the character of the subject.’ If more than this is attempted, the landlords will be deterred from letting their land, and will

attempt to farm it themselves, which could only be regarded as a national calamity, as every landowner who has farms on his hands will be ready to admit. Landlord cultivation is bailiff cultivation, and a bailiff is an inferior tenant at will. Owing to the sentiment clinging to ownership and the impossibility of moving an estate, the landowner may be made to bear a good many burdens, but the last straw which would induce him to farm his own land should never be placed on his back. It seems, however, that the principle of the Act might be considerably extended before this point was reached. It is difficult to conceive why a farmer who makes an improvement which answers the above description, which is necessary for good husbandry, and which does not change the character of the subject, should be deprived of compensation because it happens to be what is called permanent, especially as the Act gives him modified permission to drain. So long as the principle of compensation is the value, and not the cost, of the improvement, the landowner could not suffer. The agricultural labourer would probably gain more from the complete logical extension of the principles of the Act than from any change in the land laws. The cottages of the labourers ought to be included in the requisites of good husbandry, just as much as drains or farm-buildings. The farmer, if he were secure in his investment, would soon find that improved dwellings for his labourers would pay him directly or indirectly. In some cases the improvement might, under the stimulus of compulsory compensation, be undertaken by the labourers themselves. Labour would be attracted to the country, and its efficiency would be increased. The great complaint made to the recent Commission on Agriculture was the deterioration in the labourer on account of the constant migration of the better specimens of the class. The only economic reason why at present the farmer is less concerned for the accommodation of his men than of his beasts, is that any improvement in the latter belongs to himself only, whilst he is never sure of reaping the advantage of any expenditure upon the former. There can, however, be no doubt that a general improvement in the moral and material well-being of the agricultural labourers would benefit both farmers

and landlords. Inefficient, careless labour, however cheap, is always costly. A good case, then, seems to be made out for the enforcement by the State of general sanitary conditions, and for giving compensation (valued in the same way as for other improvements) for any improvement in accommodation which exceeds this legal minimum. The provision that the improvement in this, as in other cases, should be necessary for good husbandry, would limit the number and size of the cottages according to the requirements of the farm or the estate. Every farm requires a certain number of labourers, and good cottages are as necessary as a good stading; and if, as in the Highlands, land is let to very small tenants, they should receive full compensation for improvements in their dwellings. So long as the compensation is given for value, and not for cost, it could never be very great, but even the bare right to compensation would be an encouragement. As a matter of fact, fixity of tenure is the rule at present in the Highlands, so that whilst the right to compensation would ensure the improvement being made, a claim for compensation in money would very rarely arise.

Conclusion.—The conclusion to which the foregoing argument leads is that, on the whole, neither on financial nor on utilitarian grounds can the direct management of land by the State be considered either advantageous or necessary. As far as the ordinary farmer who farms for profit is concerned, all that is required is to make explicit what is equitably implied in the nature of his contract. The interest of the community in the good cultivation of land is too great to allow a landowner to indulge in capricious and restrictive covenants. If he lets his land for agricultural purposes, he ought to give every facility for good cultivation and enterprise. If the farmer by his own labour and capital, and without infringing the general purpose for which the land was let, adds to its letting value, he ought to have a claim for compensation. The landowner could have no cause for complaint, if the option of making the permanent improvement were always open to him (as is now the case in drainage), and if compensation were always proportioned not to cost but to value. It is absurd to call such an interpretation of agricultural contracts an infringement of the principle

of freedom of contract ; as a matter of fact what is loosely called freedom of contract would be largely increased if the restrictions on the freedom of agricultural enterprise were removed.

To the community at large and to the farmer it is a matter of indifference who receives the rent which arises from natural superiority of situation, &c., but it is of the highest importance that the payment of rent to a particular person should not involve indirect loss of any kind. In its indirect effects rent resembles a tax on a commodity, in which the important thing to consider, from a national point of view, is not the direct payment of the tax but the consequent restraint on trade. The present owners have a right to receive rent, or in case of expropriation a full equivalent, but they have no right to impose restraints on what is by far the most important industry in the country ; as Mill says, the claim of the landowners to compensation is indefeasible, but their claim to the land itself is altogether subordinate to the general policy of the State. And when we pass from the capitalist farmers to the smaller tenants and the labourers, something more seems equitably exigible from the landowners. If the present system fails in any respect, two distinct courses are open : (1) the State may buy out the landlords and entrust their duties to its own paid officials ; or (2) the State may impose additional obligations on the present owners. The second course is that suggested by the course of beneficial industrial legislation. The essence of the factory legislation is the responsibility of the capitalist—the State does not itself build model factories or superintend the processes of production, but it lays down general conditions under which alone such production can be carried on, and competition with all its variety and energy is left unfettered. It may be urged in the same way that in cases where the recognised moral responsibility of the landowners fails, it should be effectively enforced by legal sanctions. The discovery of the best methods must be a work of time, but if the principle is once fully recognised that, from the point of view of the community, rent is paid for the fulfilment of certain functions the delay will not be long. It is not State management that is

required, but that the landowners should manage properly themselves. It is difficult to see why a factor appointed by a duke, as the head of a department, should be any better than the factor of the same duke, considered as a responsible landowner. At the same time, just as in the factory legislation the workman is responsible for his own negligence, so in land legislation, on the principles here laid down, an increase in the responsibility of the landowner should not be accompanied by a diminution in the responsibility of the small tenant or labourer. In the two most important matters—sanitation and over-crowding—both must be responsible. The conclusion of the whole matter is:—Make the nominal owner real owner, make the real owner responsible for equitable contracts and good management, and do not pay one rent to landowners for doing nothing and another to State officials for performing their natural duties.

[NOTE.—For a more complete statement of the views expressed in this paper, the writer would refer to his book: *Tenant's Gain not Landlord's Loss, and other Economic Aspects of the Land Question*. Edinburgh: Douglas. And *Examination of the Crofters' Commission Report*. Blackwood.]

NOTE ON DR. WALLACE'S PAPER.

BY PROFESSOR NICHOLSON.

SINCE I wrote my paper I have read the scheme offered to the Conference by Mr. Wallace. It seems to me to be an example of the 'good despot' fallacy—that is to say, the 'knowledge and integrity' demanded from the assessors and umpire on the one part, and the obedience and contentedness demanded from the labourers, farmers, and landlords on the other, are more than can be expected of rural human nature at present. Even on starting the scheme, a conflict of claims would arise, which it would be very difficult to settle equitably with the highest knowledge and integrity obtainable in the kingdom. Nothing short of an executive commission could ever undertake a redistribution of land on the scale proposed.

Again, suppose the plots have been distributed, and that in any case the labourer cannot pay the rent, will he at once dispose of his holding and depart, or will he require a legal process? With the rule, one man one plot, will he be able always to sell his holding? If he cannot sell it and cannot pay his rent, what will become of the

land in the meantime? How are the plots to be inherited or bequeathed?

I think on reflection Mr. Wallace will find that he has only got rid of State management and land laws by assuming a simplicity that does not and cannot exist, and I am quite certain of one thing, that such a scheme, so far from settling the Highland land question, would make matters much worse, by creating a number of additional holdings of the size that has been universally condemned by landlords, farmers, crofters, and the Royal Commission. Where there is real agrarian distress in the Highlands, it has arisen from the informal adoption of Mr. Wallace's plot system. The people have been their own assessors when the landlords have not been strong enough to prevent it, and now they appeal to Government to extend their holdings. What the crofters wish for and demand is a good deal more than these small plots. There is a general desire on the part both of landlords and crofters to increase the size of the holdings, but the practical difficulties in the way are very great. In some quarters, *e.g.*, Lewis, emigration, or at least migration, is inevitable. The Crofters Commission made an elaborate attempt to provide for the extension of holdings, but their scheme is generally considered unworkable.

It is true that Mr. Wallace does not pin his faith in his plan to the particular method adopted, but my contention is that from the nature of the case nothing but an elaborate system of law and judicial machinery could make such a plan tolerable. Everyone may approve of cultivating ownership in the abstract, but the real difficulty is, how can it be attained? It seems to me that the ideal of land law reform ought not to be to abolish the hire of land, which in all ages has been found useful, but to make contracts for the hire of land equitable—not to eliminate the landlord from the social economy, but to make him feel his responsibility and perform his natural functions.

*The French Workman's Party on the State Management
of Capital and Land.*

BY ADOLPHE SMITH,¹ F.C.S.

IN discussing the remuneration of labour, it is only natural to inquire what the workers themselves have to say on the subject. For such a purpose it will, however, be necessary to look beyond

¹ Mr. Smith was especially authorised by the *Fédération des Travailleurs socialistes de France* to represent their views at the Conference.

the Channel. Though the English trades unions are admirably organised and are the wealthiest working-class societies in existence, they cannot pretend to have even attempted to solve the social question. As benefit societies, they have rendered immense service, and, by combinations, they have at once raised wages and reduced the hours of labour; but if by the expedient of strikes and benefit funds they succeed in mitigating the evil effect of our present economic condition, they have not, as a body, sought to remove the cause. The very reverse is the case with foreign workmen. Less practical but more logical, devoted to principle rather than to expediency, and easily carried away by enthusiasm, they have readily accepted proposals attacking the very foundations of society and aiming at the complete regeneration of mankind.

Nevertheless, experience soon proved that such dreams cannot be realised in a day, and, even if absolutely correct in theory, can only be the outcome of a slow evolution. In this French workmen have of late years shown great practical common-sense. A few still cherish the hope of immediate revolution and the immediate transformation of society into a Communist community. These tempestuous agitators, the Anarchists and the Impossibilists, however noisy, represent but an infinite minority, and are honeycombed with police agents, who egg them on to every extravagance, so as to supply a pretext for their imprisonment. The real Workman's Party, while upholding an ideal which is quite as advanced, quite as revolutionary, as any of these smaller bodies, is far more reasonable in the choice of ways and means. They aim at gradual experimental legislation rather than sudden revolution. Taught by experience, by service in the army, by personal participation in war, they realise that the working classes, though numerous, could scarcely, if unaided by foreign complications or the support of the rank and file, withstand the military forces the Government would bring to bear against them. They have consequently resolved, for the present at least, to abandon the barricade for the ballot-box. In this they have met with general support, though such prudent policy was so much opposed to the traditions of the French workmen, that they

were sneeringly called the 'Possibilists.' This nickname, however, has done them more good than harm, particularly as those who first employed it were soon recognised to be 'Impossibilists'!

The history and strength of the French Workman's Party are well worthy of a moment's consideration. Before describing the ultimate aim and the intermediary measures they advocate, it is necessary to show that they possess sufficient power to justify the belief that, in course of time, they will be able to realise at least a part of their programme.

It was only in 1876, when the 'White Terror' was over, that the French working classes began to reorganise themselves. Their hopes and aspirations, temporarily crushed by the sanguinary suppression of the Paris Commune, the death or exile of their best leaders, found voice once more. These were timidly expressed at the first general congress, held in Paris. At any previous date such a gathering would have been ruthlessly dissolved by the police; and it was in this instance barely tolerated. Two years elapsed before the workmen ventured to again assemble the delegates of their trade societies and political clubs. This second congress was also held in Paris. The principal outcome of these two congresses was the recognition of the unavoidable antagonism existing between the interests of the workers and the holders of capital—the consequent necessity of establishing a Labour Party with a purely working-class policy.

The third congress, held at Marseilles in 1879, went much farther. The principles of scientific Socialism—those same aspirations which have so recently rallied more than half-a-million voters in Germany—were then adopted for the first time. It was recognised that the present economic and political situation must tend to the creation of a capitalist feudality, which, by monopolising the means of production, will reduce the workers to the condition of mere serfs. To prevent this consummation, the working classes must descend into the political arena, constitute a distinct class and party, and bring about, by all possible means, the 'socialisation' or nationalisation of the raw material—that is, the land—and of the means of production—

that is, machinery, &c. But this programme, which expresses what is generally known as Socialism, was strenuously opposed by those who believed in co-operation based on individual and voluntary effort or in mere trades unionism. At the fourth congress, held at Havre in 1880, this moderate section broke away from the general body, and went to form what is now known as *L'Union des Chambres Syndicales Ouvrières*. This faction, however, soon fell into general discredit. It was patronised by the Government, some of its promoters were under Government pay, and such a connection was alone quite sufficient to destroy what little influence it might otherwise have possessed.

Acting upon the decision of the Marseilles Congress, the delegates at Havre prepared for the forthcoming elections, and it is said that in 1881 no less than 96,000 votes were recorded throughout France for the candidates of the new Workman's Party. In Paris, at the municipal elections, they obtained 11,873 votes. The fifth congress, held during the year of the elections at Rheims, busied itself principally with questions of organisation. France was divided into five regions, and Algeria formed a sixth region. It was decided that each region should have its annual congress, that a national committee, representing all the regions, should be elected, and Paris was chosen as its abode. This central executive committee was further entrusted with the production of a weekly paper, the *Proletariat*, as the organ of the party.

The congress of 1882 was held at St. Étienne, where another small secession took place. The followers of M. Guesde, for personal and other motives, left the parent organisation and formed a little group of their own, known as the Guesdists or Impossibilists. The last two congresses—of Paris in 1883, of Rennes in 1884—need only be mentioned as having helped to further organise the party. What should be noted with care is the practical result of this organisation. While the Workman's Party obtained at the Paris municipal elections of 1881 the sum total of 11,873 votes, the following election showed that its voting power had trebled in three short years. Their candidates scored 33,604 in 1884, and there were also

3,219 given to the Blanquists, and 867 votes to the Guesdists. Altogether, for the election of the municipal council in 1884 there were recorded 287,730 votes, of which 37,690 were in favour of the out-and-out Socialists. We are therefore dealing with a genuine political power of growing strength. In the provinces also the increase of voting power was very marked, and many of the municipal councillors elected were representatives of the French Workman's Party.

Enough has now been said of the history and strength of this organisation, officially called the *Fédération des Travailleurs socialistes de France*, to show that, in describing its aims and objects, I am not merely propounding a scheme or a theory but explaining efforts that constitute an important phase of modern and practical politics. I will, however, say less of the ultimate ideal held in view than of those measures that could be at once applied, and which would serve as stepping-stones in the desired direction. My brief allusion to the principles laid down by the Marseilles Congress suffices to show that the French Workman's Party is thoroughly Socialistic, and its ultimate aim might be briefly defined as the 'nationalisation of everything.' But I can go further than this, and will say that, in the hope of thoroughly eradicating the last vestige of our present competitive and individualistic system, the greater part of the workmen are Communists, and believe in an ideal state of society where everyone will work according to his capabilities and receive according to his needs. These are not, however, the points that I now wish to discuss. I mention them simply because efforts have been made to discredit the French Workman's Party in the eyes of the French working classes, by representing them as too moderate, as Opportunists, and other terms that tend to destroy their prestige in the eyes of a people who are always anxious to see a complete scheme and not a mere temporary expedient. Also it is well to show that it is possible to hold opinions which many will qualify as mere dreams, or as mischievously subversive of all that is held dear by modern society, and yet be both practical and moderate when dealing with the daily circumstances by which we are surrounded. Let me therefore point out, not the ultimate aims, but

the immediate, the present action of the French Workman's Party.

Three social questions are more particularly before the public at the present moment in Paris, just as well as in London—namely, the depression of trade, the housing of the poor, and the dearness of bread. On all these three points the French Workman's Party have issued reports and made definite proposals. It was through their action that the Commission of the Forty-Four was appointed by the National Assembly to inquire into the causes of the prevailing commercial depression.

But the first of these three problems raises the entire social question, and can only be partially solved by intermediary measures. These latter, therefore, are proposed not as a logical and theoretically perfect solution, but, I repeat, as mere stepping-stones. It is in this light only that the suggestions of the Possibilist Party must be judged. They urged that the prevailing industrial depression would be lightened if all work done for the State was entrusted solely to the workmen's corporations, and no intermediary contractor or employer allowed to undertake public works. Already the streets of Paris are paved by the Paviers' Corporation and not by a private firm, while the *Official Journal* is entirely in the hands of those who compose and print it, the profits being divided among the workmen. Public money spent in public works should go to the benefit of the workers at large and not to individual contractors, who often grind down their hands to starvation wages.

It is objected, however, that the trade corporations have not the necessary funds to undertake State contracts. To this they reply that, in 1848, the Government gave 2,400,000*l.* to the Comptoir d'Escompte to be distributed among the middle-class tradesmen who were then suffering from commercial depression. A smaller sum would now enable the trades unions to undertake all government work without any intermediary contractor or employer. What the *bourgeois* obtained in 1848 the workman may claim in 1885. As over-production, the glut in the labour market, and excessive competition between workmen in search of employ are among the most prominent causes of the present depression, the French Workman's Party demand that legislation

shall reduce the legal working day to eight hours, and render it illegal to employ any foreign workmen—notably Germans, Italians, and Belgians—at lower rates than those generally paid to the native Frenchmen. Such legislation, when possible, should be extended to other countries; the condition of the most favoured nation being accepted as the basis of an international treaty.

The solution of the second question, the housing of the poor, would also greatly contribute to relieve the prevailing distress. M. Joffrin, when he represented the Workman's Party on the Paris municipal council, presented a petition signed by forty-seven trades unions, thirty-seven workmen's clubs, and two co-operative societies, urging the town to build dwellings on the land it possesses, which should be let out in tenements at cost price. Such houses would not only serve as models, but their low rental would compete advantageously with private enterprise. Then, to prevent attempts to rig the market by keeping apartments empty for a long period, a tax, of at least twenty per cent. on the annual value, should be imposed on all unutilised land and houses within the fortifications. Such drastic measures would, it will probably be argued, drive away the capital both of the landowner and the speculative builder. If so, nothing could be more fortunate. As the individual, beaten in the struggle, retreated, the State would step in and nationalise both land and houses, and this without any violent revolution, or the payment of compensation at a rate which otherwise would destroy the advantage of the change.

Finally, with regard to the third question, the Workman's Party maintains that the condition of the bread trade in Paris proves the futility of orthodox political economy. The 1,800 master bakers of Paris have not been led by free competition to adopt improved machinery and to sell their bread at the lowest possible price; they have simply formed a ring so as to maintain high prices, high profits but low wages, and save themselves the trouble and expense of adopting new methods and improved machinery. Under these circumstances, M. Chabert, the Possibilist, and M. Vaillant, the Blanquist, members of the Paris municipal council, proposed that the bread supply of the capital

should be converted into a public service. The State, by giving the highest wages, would command the labour market, and by selling at the lowest rate would secure the largest custom. If private enterprise could survive such competition it would only be on the condition of paying high wages, selling very cheap, and contenting itself with slender profits. If, on the contrary, private enterprise was beaten out of the field, then one trade, at least, would have been nationalised. The meat trade would be attacked in the same manner, and one by one all the other trades, commencing always with the necessities of life. Thus pure Socialism would be realised in the course of time, and this without any sudden shock, without inflicting any widespread ruin on those who derived advantage from the present state of affairs; but rather by the slow, orderly, and almost natural extinction of the present competitive, individualist and anarchical system.

But, in bringing about this State-aided evolution, it is of paramount importance that the State itself should be in the hands of the producing classes, of the *proletariat*. State enterprises managed by the *bourgeoisie* are little better than private enterprises; and the workers at the French arsenals or post-office, like their brethren in England, are no better off than those engaged by private firms. These are the considerations that have given so strong an impulse to the political action of the French Workman's Party, made them eager to contest every election, spread the conviction that the struggle was a struggle of class against class, of producer against non-producer, and that if it be possible to solve the social question peacefully, this can only be done at the ballot-box.

Such, in a few words, are the views of the French Workman's Party; and, when we consider how well it is organised, how powerful it has become in the course of a very few years, the importance of ascertaining what is its aim and policy can scarcely be challenged. This necessity is still further imposed upon us by the fact that the French *Fédération des Travailleurs socialistes* is at one with the American, Belgian, and Spanish Workman's Party and the Italian Labour Party, represented in the Italian parliament by Signor Costa. Though differing perhaps

in minor details, the French Workman's Party also advocates the same fundamental principles which have united together 600,000 Social Democrat electors of Germany, and the Social Democratic parties of Switzerland, Holland, Denmark, and England. To discuss the question of industrial remuneration without taking into account what these vast and powerful working-class organisations have to say on the matter, would be to leave out of sight the opinions of those who are personally the most concerned in the satisfactory solution of the problem.

DISCUSSION.

Dr. G. B. CLARK (Highland Land Law Reform Association), before entering into a discussion on the papers read, asked to be heard as representing a society with over 10,000 members in the north of Scotland. Unfortunately, the Highland Land Law Reform Association had not been able to bring their views before the Conference in the form of a paper because, by a mistake, they were not invited to do so. Lord Bramwell had stated that the present land laws were the result of natural causes. The class of people whom he represented could tell the Conference that the land laws existing in the Highlands at the present day were due, not to natural but to artificial causes. Until rather more than a century ago land was held there not as private property, but under a tribal or patriarchal tenure. In 1846 Hereditary Jurisdiction was abolished; by the same Act compensation was given, and the rights of the crofter or farmer in the soil were practically confiscated by the State. What was the condition of the great majority of these men? They were not asking that one person should have a farm—in nearly the whole of the Highlands until lately there was not an individual property—but common property in land. The individualistic system was not in operation: there was not an individual farm, but there were farming or crofting townships which paid rent. In many places individual farmers in a township did pay a rent, and arable land was held as individual property; but in the whole of the Highlands grazing land was always held as common property by the township. These men whom he represented did not demand anything for some special individual, but they asked that, as communities of agricultural workers, they should have sufficient land to keep them alive. He wished to state one or two facts which might throw light on the problem under discussion. Why did misery and destitution exist in the Highlands of Scotland? He would tell them why. In the

beginning of the century the landlords thought that sheep would pay them better than men, and they cleared away the men in order to replace them by sheep. At first sheep did pay better than men, but not now ; and, therefore, if it were simply a question of sheep *versus* men, the former would go to the wall and the men would come back again, because all the sheep and cattle runs had been made valuable by the labours of the crofters. A farm which used to give enough food for 1,000 sheep could now only afford sufficient pasture for 500, so that the landlords would be glad to get the men back again. It was now found that deer paid better than either sheep or men. The landlords of the Highlands, in virtue of the rights given partly by the Act of 1846, stolen partly with the concurrence and with the aid of the lawyers and others, since they had taken possession of the soil of the country, had driven the people to the hills and the rocks, there to find a living as best they could. No wonder, then, they now lived in misery and destitution, for their township lands were not sufficient for them to live upon. They had been driven away and replaced by sheep. Now they were kept away in order that deer forests might be developed, and that for six weeks or two months in the year a few rich gentlemen—successful merchants, lawyers, and manufacturers—might go down and fill up some of their spare time killing tame animals. In order that one of these gentlemen might have 300 square miles of deer forest for himself, another 150, and so on, the inhabitants were driven away on to land exhausted from over-tillage, where they could not get enough to support them. Professor Nicholson's paper contained statements which seemed to be the very reverse of the truth, for he had said that where the Highlanders were worse off than other agricultural labourers was because of the subdivision of the holdings on estates where the landlord had been too weak, indulgent, or careless to prevent it. In spite of the facts disclosed to the world by a Royal Commission composed almost entirely of landlords—facts showing that hundreds of families had been driven away to places where they could only eke out a miserable existence—here was a professor of political economy coming forward to state that all this was due to the indulgence of landlords. It was clear that Professor Nicholson represented the landlords quite as much as Major Craigie did. Further than that, Professor Nicholson, as far as security of tenure was concerned, had said in his paper that, as a matter of fact, fixity of tenure was the rule at present in the Highlands. The real state of the case was that 999 out of every 1,000 were tenants-at-will, and they lived in absolute misery. That was the way in which a professor of political economy wrote on this question. The same writer alleged that there

was no rack-renting. Some had said that 25 per cent. of the crop as rental would be fair; but not a few of these poor men in the Highlands would be glad to give not 25 nor 50 per cent., but the whole of the crop as rental if the landlords would take it. The latter, however, wanted more than the land could possibly give. They also got what was practically a rent for the sea; this was not house rent in the ordinary sense of the term, since the tenants built all their own houses, so that they were really paying for the acres of ocean about their holdings. If these men could have for tillage the many square miles of land now used as deer forests, they would be happy and comfortable. Instead of that they were starving and miserable, and some of them were going to prison to-day rather than submit to this condition any longer; and yet there came to that Conference a teacher of political economy making this miserable apology for things as they are! With regard to land nationalisation, he had hoped to hear something definite upon that burning question from Mr. F. Harrison, but he confessed he was going away very much puzzled. Mr. Harrison had said that land did not differ from any other kind of property. Upon what ground did he want to mulct the landlords to the extent of 15,000,000% a year, and not to the same extent those who held consols, bank stock, ships, and houses, if land did not differ from any other kind of property? Mr. Harrison had stated that salt and coal were as valuable a monopoly as land. Of course, when land was spoken of, all the raw material was meant, and that implied salt and coal.

Mr. BURNS (Social Democratic Federation) said they had heard from the lips of a fellow-countryman of his—Dr. G. B. Clarke—some rather strong observations. As the grandson of an evicted Ayrshire peasant, he would himself make some equally strong remarks, also pertinent to the question, and especially the paper read by Mr. Frederic Harrison on ‘Remedies for Social Distress.’ He was personally grateful to Mr. Harrison for having narrowed considerably the issues of the question before the Conference. One remarkable feature of the assembly was the undoubted fact that Mr. Harrison had shown the futility of co-operative production. (No, no.) Professor Beesly had shown also the impossibility of profit-sharing as a method of improving the worker’s condition. One word upon profit-sharing. He, as a worker in a factory, regarded profit-sharing as nothing less than a delusive bait on the part of capitalists to goad the workers on to greater intensity of toil. Mr. Harrison had devoted twenty pages of his paper to a criticism of society as it existed to-day. All well and good. Mr. Harrison had given eight lines on the twenty-first page for the remedy; and what was the remedy he suggested? To a

socialist it was a peculiar one. Mr. Harrison had suggested the moralisation of industry and capital. Moralise capital? You might as well try to moralise the lion who was about to devour the lamb; you might as well attempt to moralise the boa constrictor that had its coils around the body of its victim. Could you moralise the retired capitalist out of his 300 square miles of deer forest, or out of his steam yacht, or out of the guinea orchid he wore in his button-hole? All such privileged luxuries had been secured by the exploitation of labour, and by the prostitution of genius and ability to the very lowest degree. They had been told by Mr. Harrison that many landlords had done a great deal for their tenants and labourers. Yes, but at whose expense? From what source? Had the landlords some hidden source from which they secured this wealth, which it was said, they devoted to the improvement of the condition of their *employés*? No, they had got it as labour, or as rent, from profit, and had put it into their own pockets. From that platform had been heard repeated statements as to the troubles of the careworn capitalist and the overtaxed landlord. He had in his hand a cutting from the *World* newspaper, in which it was distinctly stated that three Welsh landlords had given 350,000*l.* for the improvement of Sandown for racing purposes. If that was so, where was the careworn capitalist or the overtaxed landlord? It had been said this moralisation was to be brought about by a system of education. Education had so far enabled the capitalist to import from the realms of science and invention the means by which labour was deprived of its surplus value, this being done in the most subtle forms. The genius and ability of our greatest men had been prostituted by the landlord and capitalist in their service, and against the interest of the proletariat. Mr. Harrison had deemed it expedient to criticise the want of system in the socialistic theories of to-day. It was the absence of theory, as regarded modes of production and distribution, that made that Conference necessary. If there had been any such theory or principles for the regulation of society to-day, the Conference would not have been necessary. He contended that the socialists had a definite code of principles—a set of theories—upon which to work. As an artisan, as a follower of Karl Marx, and of Lassalle, as a member of a revolutionary body in England, he stated distinctly that the socialists had a definite theory. It was because individualism had no theory that it was bringing its own house about its ears. The question had been asked, how was capital to be worked? Were there not such things as national banks, and railways owned by the State? Railways were but a form of capital. He agreed that the battle of the future lay between individuals on the one hand and socialists on the other.

Englishmen were unconsciously more socialistic than they thought they were. As to collective ownership, let them look at the town of Birmingham to-day. The corporation there owned the sewage, gas-works, and waterworks; that was collective ownership. But let them consider the amount of profit realised by the corporation; it reached no less a sum than 150,000*l.* a year. That saving, due to collective ownership, went to build houses for the artisans, to improve the homes of the labouring population, to provide open spaces, parks, libraries, baths, and washhouses. To such an extent was this carried out that a member of his own trades union had informed the Social Science Congress that, in Birmingham, there were only twelve cases in which a family lived in one room, whilst in Glasgow where there was no similar experience, 48 per cent. of the families lived in one room, and 38 in two rooms. These things at Birmingham had been done at the suggestion of Mr. Joseph Chamberlain. But the inconsistency ought to be pointed out of making a landlord a political and social Jonah for the benefit of the capitalist. If it was right for the President of the Board of Trade to suggest that Birmingham should municipalise its gasworks, sewage, and waterworks, and even go so far as to include the public houses, where men spent their earnings, surely it was necessary to nationalise the factory, the source from which those earnings came. If they nationalised in one direction and not in another, such inconsistency would not command anyone's respect. If it was right in one direction, it was right also in the other. What was sauce for the landlord's goose was sauce for the capitalist's gander. (Hear, hear.) He could not, within the short time allotted to him, defend fully the theoretical position of socialism, but he might tell the Conference that bad remuneration was the cause of poverty, and that both bad remuneration and poverty were the result of private ownership in land, capital, and credit. Until governmental co-operation was instituted in Great Britain and in all the countries of the civilised world, they were sure to have the misery, destitution, and anarchy like that of to-day. As a socialist he would impress upon his brother-workers the necessity of studying this question from an economical point of view. As workers they had been told there was freedom to-day. He was sorry to say that the fact of his coming to the Conference as a delegate for the Social Democratic Federation had secured his dismissal from the factory in which he had worked. (Shame.) Where was the freedom in that? Was that not slavery? There was no freedom so long as you had wage-slaves and wage-slave-drivers. The remedy, the socialists contended, was not only the nationalisation of land, capital, and credit, but proper means of production, distribution, and exchange. They had been told that the

State could not control labour. Why, in Belgium the railways were owned by the State, and with what result? One could travel there 100 miles, first class, for 4s. 6d., while in England, under the sway of individual ownership, we had to pay 25s. 3d., a difference only of 400 per cent. and yet there was 4 per cent. surplus! (Applause.) He could give dozens and dozens of similar illustrations to show that miners and agricultural labourers must be forced into the camp of socialism, and thus stop the robbery which they were subject to. Would they combine with the proletariat of Europe who had embraced socialistic principles, or take the side of might against right? They would soon have to answer that question. A revolution was germinating in the bowels of society through the inequalities of condition which prevailed. To the middle class he would say: 'Will you guide this revolution, or be driven by it, or try to suppress it by force? If you do the latter, upon you rests the responsibility of the strife that is coming—the responsibility of pushing back the hopes and aspirations of the workmen of the world.' (Applause.)

MR. SHAW LEFEVRE, M.P., said: The discussion throughout the day has taken a very wide view, embracing the general principles of freedom of contract, of individualism *versus* socialism, of nationalisation of land, and other matters. Within the few minutes which can be allowed me, I will deal only with one subject, and that very much more briefly than it deserves. I refer to the land question. I must be permitted to express my entire and absolute dissent from those speakers and writers who have advocated nationalisation of land. Looking at the question from the point of view of an economist who has very little interest in landed property and who is not afraid of change, I can only express my belief that such principles would be disastrous in their effect, that they could not be carried out without an amount of cruel injustice to landowners, and that they would result in a system of State management of land which would develop probably an expansion of State officialism which I should deprecate. In one respect I have been agreeably surprised. I have always understood that Mr. Wallace was one of the prophets of nationalisation, but I gather from his paper that he does not think that landowners should be deprived of their property without compensation, and his ideas seem to me to result in a widely extended system of peasant proprietary which would import individual property in another shape and would not realise the ideas of nationalisation of land. Other speakers, however, have not limited themselves to this, and have spoken of the principle of individual property in land as unjust and as leading to the depression of the working classes. These ideas have been imported from the United States—(no, no)—through

the medium of the eloquent and plausible work of Mr. George. I am tempted to ask why it is that these new ideas have not found favour and borne fruit in that country. (Hear, hear.) There are three hundred millions of acres of ground belonging to the different States not yet appropriated as private property, to which the new principle could be applied without injustice to anyone. But not one of the various States has adopted this principle, though they all enjoy universal suffrage. Why is it? I do not doubt that it is because they know that if in any State this principle were applied, and it was not permitted to anyone to acquire an individual and personal right and interest in land, the stream of emigrants would go elsewhere, and a great blow would be given to the prosperity of the State. This seems to me to show this—that individual property in land has its origin at the foundation of States in the general consent of the people. If this be the case with new States, what are we to say of the application of the principle to old countries where land has for centuries been private property, and where a large proportion of owners have bought within recent times on the faith of the existing order? I agree with many speakers that if we are to adopt this principle of nationalisation, we cannot stop there. (Hear, hear.) The same principle would be extended to all other property—(hear, hear)—to houses, to railways, to shares and other property. It is my belief that the principle would not be adopted without the grossest injustice. I am unable to see how it would benefit the labouring people. The landowners employ a large mass of labourers, directly and indirectly, through the improvements they effect. These men would be thrown out of work—(no, no)—and would compete with others, thus lowering the rate of wages, and they would crowd into the towns in the manner already complained of, and would there also lower the rate of wages. It is my belief also that landowners would make a struggle for their property. Something has been said of the Irish land system and of the application of the principle in that country. I was an ardent supporter of the Irish Land Act as the friend of justice. Looking at the historical and economic position of the small tenants of Ireland, and the fact that they had universally made all the improvements on their holdings under conditions totally different from those of English tenants, I thought that the law was justified in conceding to them fixity of tenure; but no such claim can be justified on the part of the English tenant farmers. They have no hereditary connexion with the soil. The great bulk of them have come upon the land in recent times. They have not effected any of the permanent improvements, and it would be a monstrous injustice to give them fixity of tenure. For my own part I am firmly per-

suaded of the value of the principle of individual property in land. I think it one of the highest incentives to civilisation and improvement, and to industry and thrift. My object always has been to bring these influences within the reach of all classes. The defect of our system is that, owing partly to law and partly to custom, to the political, social, and sporting privileges which have been conceded to land, it has come to be the property of very few persons. (Hear, hear.) No one can look at the condition of landownership in this country without feeling alarm at the small number of persons who are interested in it—(hear, hear)—without feeling that it does not exert that influence for good which it ought to do and might do. It is my belief that changes of law in the direction of sweeping away the relics of the feudal system and simplifying the transfer of land will do much to make a change and to bring land within the reach of all classes. We have already deprived it of political privileges. We have diminished greatly its sporting privileges. Recent events and the depression of trade have taken off the greater part of the artificial value of land. We cannot, without concern, compare the position of our labouring classes with that of the labouring people of other countries of Europe in which they have a permanent interest in the soil. I believe that with the changed opinions on the subject we shall see, even without any artificial attempts to sub-divide land, a very great change in this respect, and that before long we shall see a dispersion of land which will bring it within the reach of all classes in this country. (Applause.)

Mr. WILLIAMS (Social Democratic Federation): As a socialist, I challenge Mr. Shaw Lefevre to meet me on this question upon any platform he may name.

Mr. J. GREENWOOD (Hebden-Bridge Fustian Works), as one practically acquainted with an attempt at co-operative production, remarked that co-operative production had been disparaged to some extent by previous speakers, and rather despondently spoken of by their friend Mr. Frederic Harrison. If they could have co-operative production and exploit their own labour, they would be doing the right thing. What they wanted was to take hold of the industries of the country and, as working men, get themselves gradually into the position of capitalists, and control the workshops to their own advantage. This was the very object at which a small company of workers in connexion with the fustian trade at Hebden-Bridge had been aiming—a co-operative society with which he was himself associated. At the commencement of their effort fourteen years ago, when they were engaged as fustian workers in the workshops connected with that trade, they were suffering very considerably through the non-

regularity of employment. Since they began this experiment they had very much improved that state of things. Formerly they had only two or three days' work in a week on some occasions, and now and then a whole week would pass without their having any employment. That was not the case in connexion with the Hebden-Bridge society. They had regular occupation, and by this means they had raised their wages 20 per cent. higher than they were before they commenced on their own account. The best rates of wages of the district are also paid. There were on the platform gentlemen who could certify to the correctness of the statement. As one who lived in the thrilling times of the Chartists' movement in 1842, he remembered very well the systems that were then being advocated and tried by Fergus O'Connor with reference to land. He sat at the feet of his grandfather and listened to the reading of the *Northern Star*, and to the schemes then propounded for improving the position of workmen in Lancashire and Yorkshire. The workmen combined together to buy land, and allotments were made; but when they came to farm the land, they severally took their own allotments and cultivated them. They did not co-operate to produce and buy implements &c., to farm the land nor to dispose of the product when they got it. Consequently they failed through lack of co-operation. His present belief was that workmen would immensely improve their condition if they were to introduce co-operative production and own the capital themselves. Profit-sharing had been deprecated, but he thought workmen would benefit if profits were capitalised amongst the various workers. Young persons thus could be taught habits of thrift, and all would become thoroughly interested in the welfare of their own workshops. If the capital were allowed to grow gradually, each would realise something which they might fall back upon in time of need. In regard to the concern with which he was connected, although it was feeble and imperfect, still, for all that, there were at least 110 workers who had on an average accumulated 20*l*. This result might have been considerably greater, if they had had an opportunity of adding ordinary savings to the capital as well as the savings derived from the profit of their labours. Profits on labour have only been permitted, and the rate of interest paid to share capital was made thus too limited in extent. Although Mr. Harrison had estimated that only 5 or 10 per cent. of the population of England benefited particularly by the co-operative movement, still in the district which he himself represented 40 per cent. of the working population were members of co-operative societies. He referred to Calderdale, which under the new Redistribution Bill would be comprised in two electoral divisions within the borough of Halifax. Out

of the population—200,000—28,000 were co-operators, and they together owned 629,000% share capital, and 20,000% loan capital. The most perfect co-operative productive association of which he knew was at Guise in France. The workers owned all the capital and elected the directors. The largest proportion of the profits was paid to labour. His belief was, with regard to distribution and production, that co-operation, if fully developed, would be the means of greatly assisting workmen; and it might stand with socialism in some of its relations to the community and do better than the particular form of socialism which seemed to be so much desired. It would at least have this advantage:—Instead of workers being dependent upon the State for help, they could practically work themselves into the system so as to get the fruits of their own labour and increase their own comforts. He believed in workmen doing something for themselves in that way. If they thus united and acted together they would be simply making use of materials which others with a better education had done for themselves. If workmen could do that, they might ultimately link with the class to whom he had referred, who might throw in their capital; in that way they might help to benefit one another. With regard to the application of co-operative production to farming, an experiment of the kind was made at Radbourne, in Warwickshire. The owner of the land had advanced capital to farm labourers, and about four times the number were employed on the land as were occupied on farms in the neighbourhood. If there were now two millions of people employed on the land as farm labourers, and four times that number might find occupation under the system he had just indicated, a large portion of the surplus labour in the towns and country might be thus utilised. The question of improving their condition was one which working men must take into their own hands; they should feel an interest in association work, and apply the principles of co-operation for their own advancement. If that course were generally adopted, they would have in their power the redemption of their own position. (Hear, hear.)

Mr. J. TOYNE (Miners' National Union) said it might be asked by some people 'What do these miners know about the land question?' Their friend, who had lately spoken on behalf of the Social Democratic Federation, had appealed to them whether they were socialists or believers in individualism. He was himself happy to say, not only on his own behalf, but, he thought, also for the whole of the miners in the north of England at any rate, that they belonged to the party of progress—the party who believed in right against might. He believed in the nationalisation of land. He was very much disappointed with Mr. Harrison's paper. If he

had not been present and heard part of it read, he could scarcely have believed, considering the reputation of the writer, that Mr. Harrison would have advocated a system which simply amounted to this—that they were to leave things to go on peaceably as they were at present, whereas what was really wanted was immediate relief. In the north of England there were thousands of men out of employment in the large towns; they had been kept by charity funds, soup kitchens, and that sort of thing. What working men generally wanted to know was this: what was going to be done with the people? They had been told it was not possible to nationalise the land because the necessary money could not be found. That was an extraordinary statement. When one remembered that money could be found to send troops to Afghanistan, Zululand, and Egypt, and to benefit people that were outside our own boundary, it seemed strange that when they began to talk about what was wanted for home purposes, even for the amelioration of the condition of the people, the money could not be found. He looked upon the land system as a huge monopoly. When a man sank a pit or built a factory, the law of the land compelled him to fence off the pit and to fence off the machinery in the workshop in order to protect life and limb; but the law allowed an individual to monopolise the holding of land and to please himself as to whether it should be cultivated or not, though hundreds and thousands of people were hungering and starving for sheer want of employment. He wished the writers of the papers had said something more about royalty rents. Reference had, however, been made by Mr. Wilson to the tremendous amount of such rents in the comparatively small district of Cleveland. As a worker himself in the Cleveland mines for twenty years, he should like to create a stronger feeling against those rents because of their injustice. A mine owner, in order to secure a royalty, had to enter into an agreement to make all good again; that was to say, if, while working a royalty, he took out the pillars and let in the surface, he had to level it and so make all good again. But, in addition, he had to pay from 4*d.* to 8*d.* for every ton of ironstone delivered to the pit bank. What about it? The landowner could sit quietly at home without any risk, but the miner's life and limb were in daily peril. The miner only got something like 10*d.* a ton for blasting the rock and filling out, while the landowner was getting 6*d.* or 8*d.* a ton for doing nothing at all. Looking thus at the matter, miners had much ground for complaint. They had also been trying to find out, if possible, the cause of depression in trade, which had troubled a good many people besides miners. They had come to the conclusion that the cause was the iniquitous land system, and they had proved it to

be so. Through the landlords and through the bad system of land laws men had been driven from the country districts into the towns, or, in the words of Mr. Bright, they had been 'divorced from the soil.' They had not only been driven into the towns, but also driven into the mines. In the Cleveland district there were such men employed, and getting sometimes only 10s. a week, for which they risked life and limb; and even when working full time, they could earn no more than 25s. or 26s. a week. Taking the average of their wages, how were these men to live after paying house-rent? It should also be understood that in the Cleveland district one in every eight of these miners met with an accident of some kind every year while at work. Fully believing that the present sad state of things was due chiefly to bad land laws, he urged that something ought to be done speedily with a view to providing a remedy. If land were more generally cultivated, it would have the effect of improving trade in the several districts and keep machinery going. It was a shame and a crime that men in hundreds and thousands should be allowed to starve in a country where work would be plentiful if only it were properly distributed. The miners of England, in the north at least, believing in right against might, had continued to fight in the cause of progress; and whether they were socialists or not, one thing was certain—they did not class themselves with individualists. Make them what you liked, they had heard enough of the individualism doctrine. These individualists had sent men into the mining districts of Northumberland to get signatures to petitions against the Employers' Liability Amendment Act, but they were no good to the miners, for they belonged to the party who said 'Let things remain as they are.' (No.) Yes, they did; well, at any rate, that was the doctrine they believed in teaching. The miners would continue in their present course until they saw the wealth better distributed and until every workman had a comfortable home, a good suit of clothes, and enjoyment the same as other people. (Hear, hear.)

Mr. LLOYD JONES wished to place himself, and those who thought with him, in a right position in regard to this question. First he desired it to be understood that, rather than bear any longer the present state of things, he was, for his own part, quite prepared to face all the difficulties which Mr. Harrison feared might arise in the future from the adoption of a new system of land-holding. Unlike Mr. Toyne, he did not feel the least reluctant to say that he belonged to the individualist party; but he also belonged to the social party. He believed that a man had his individual rights and his individual duties within certain limits, but, for his part, he never

could consent to give up his right to act with his fellows. They were not monads, but men who had to discharge not only their individual duties, but their duties of citizenship. When the complex machine called 'society' required adjustment, it was for them to watch its progress, at every point, day by day, in order to see that such adjustment took place as would prevent those horrible jars known as revolutions. He went in for all that concerned himself in all his personal acts as an individual, not in connexion with others who might not be affected by his conduct, but for all that was connected with his fellows in the government of the country, in the loyal citizenship of the country, and in doing all the public work of the country. He insisted that, whatever Lord Bramwell might say, they were in the double capacity, first as individuals, then as citizens; and that they could not forego their rights in the one capacity for the purpose of upholding them in the other. He insisted upon that more particularly, seeing that the working men of the country had now, for the first time, got into their hands the power to act as citizens. There had been no objection to legislation when the masses of the people were simply a kind of broken mob to be legislated for; but now the legislation must come out of their own thought, he wanted that thought to be the outcome of a strict and intimate association with each other; so that before it was embodied in law, they should have as the result, that which was best calculated to produce the most good to the largest number. It was true, as stated by Lord Bramwell, that the system as it existed was an artificial one: it was all law. They might say that all law was art. So it was, in a certain sense, but they had a specimen of artificial system as it existed in Ireland. Mr. Harrison had said that if the people got the land to-morrow they must have capital in order to use the land aright. Quite so; but if the landlord could follow with his eye every improvement that the tenant made by his labour, and could take to himself year by year the increase that came out of his labour, how then could the man in occupancy do his duty to the land? They had, therefore, a perfect right to see that the tenant had his just rights, whatever might be the security of the man who worked the land, and whatever might be necessary to make him owner of what he produced. It was their duty, as citizens, to see that the expression of their opinion had its due effect in the end: it might be a little chaotic at first, a little diverse, or a little anarchic; but they should see if they could not evolve from this confusion of ideas a certain shape of principles upon which they might do the best for themselves and their fellow-workers. The co-operative body had done this in distribution. They had taken

into their hands the implement necessary for performing that work ; they claimed and appropriated to themselves the profits belonging to distribution. What they would put on the workers as a duty was not that they should despoil, but that they should create and contribute in a higher spirit of equity. As an old radical, as an old socialist, and as an old discarder of all sorts of legitimate and settled evils, though he had been moving for fifty years among these people, knowing all of them, and even the worst, he had never heard a word said against actual possession of property by anyone living. He had read it in the newspapers, he had heard it, as a misrepresentation, from all kinds of people, but never among the British people, whom he professed to know intimately over many years.

Mr. S.-BOURNE (Member of the Committee), said it was just half a century since it was his lot to change his home from this country to the West Indies, and within four years after the beginning of that period the slave population of those islands became a free community. The question then arose as to what should become of the portions of land which they had been permitted to till as garden ground for their own use, and for raising the vegetables upon which they lived. The proprietors declining to allow the possession of the land, unless it were saddled with the condition of accepting work at the masters' wages, some philanthropists in England, pitying the state of these poor people when removed from their holdings, purchased land in the interior of the country and converted them into proprietors. What had been the result of that movement in the island of Jamaica ? The staple productions of the country had in great measure ceased to be grown for export. There might be an amount of quiet enjoyment, and peaceful possession on the part of the inhabitants, which was luxury compared with the state of slavery in which they had before existed ; but it was a condition far inferior to that which they would have enjoyed had they remained labourers on the estates. Whether by land nationalisation, by allotment, or any other similar system, if the working community of our own country were converted into small owners possessing from two to five acres each, they would, like the French settlers in Canada, be wanting the necessary means of employment for the earning of wages, vegetating rather than thriving or growing, and enduring hardships, because attached to a small portion of soil insufficient to furnish them with the means of support. Instead of trying to live solely on land portioned out in this way it would pay the owner of from two to five acres to take a voyage to Canada and there get products out of the soil for the season, coming back laden with three times as much as they could possibly produce from such barren land in our own country as was proposed to be

utilised for purposes of cultivation. Some advocated the levying of protective duties upon manufactures, in order to stimulate the employment of the working population upon the land. What would be the result to the possessor? He would have to call his son and daughter away from the town where they were earning good wages, in order that they might help him to cultivate the soil. He would have to exist upon the simplest food; he would be unable to purchase any luxury; he would have neither tobacco nor beer, which perhaps he might be better without. This country had grown in wealth by the large amount of manufactured goods it exported, drawing imports in return from other countries; and the moment that interchange of commodities ceased, poverty and destitution would increase to a large extent. He, therefore, advised the pursuit of honest and patient industry in developing the resources we possessed, and employing capital already existent in the manufacture of that which could be exchanged, instead of attempting to bring rocky soil or marshy land into competition with the rich and productive places beyond the seas. Let us send out our surplus population—(Oh, oh!)—to the great and glorious lands where they might enjoy freedom, luxuries, and the purest air, instead of struggling with poverty, misery, and death, on land which would not yield them the necessaries of life. Here, they might in turn become the purchasers of manufactures which their brothers and sisters would raise at home, while we continued to draw wealth from those distant regions as in the past: thus settling upon a secure foundation the happiness of the community here, and the happiness of the community there. Let us pursue that course and we should prosper. It was not the occupation, whether as owner or tenant, of a good-sized plot to be cultivated in spare moments, both for recreation and as a source of profit, which he deprecated. In localities where this is obtainable within a reasonable distance from the place where other employment—whether in the field or the factory—is to be found, it is in every way desirable. In such cases, even poor land may be usefully brought under culture, and furnish part occupation for the women and children of the family. It is the settling down upon a small plot or farm, and looking upon this as the only means of obtaining support, as in the case of the Jamaica negroes of whom he spoke, which is a retrograde instead of an advancing policy.

The Rev. S. HEADLAM (Guild of S. Matthew) said that permission had been given to two eminent clergymen of the newest religion—Mr. Harrison and Professor Beesly—to speak at some length on these subjects. As a clergyman of the oldest religion of Humanity—at any rate, an older one than they represented—he was glad to be

allowed to speak for five minutes in the name of the religion of Jesus Christ. He was perfectly certain that even after the grand socialistic schemes put forward had been attained all these questions would only be solved by getting the people to be loyal to that religion. It was because he was trying to be loyal to that religion that he felt bound to protest in the name of it against that which had been said by Mr. Harrison in a part of his paper. To him and to the Society which he represented these questions could never be solved until we tried to base them upon simple justice; and the present land system—the present tenure of land—was based upon absolute injustice. Therefore, it was their duty if possible to make the landlords recoup what they, without giving services in return for it, had had during the last two hundred and more years. But if they could not do that we must begin at once to put on to the land a tax of 20*s.* in the pound. He did not know whether Mr. Harrison would be at one with that; but Mr. Balfour, when he made the astounding statement that land was unsaleable, seemed entirely to have forgotten that a very large amount of the value of land was town land, that workers in towns had made the land valuable, and that, as they were being robbed of the value of it, it was their duty and not merely their right to get it back for themselves. If we chose to set about it, this was a matter which might be done by degrees, though he hoped the degrees would be pretty quick. A step would be taken in the right direction if all the reformers who had been speaking in the Conference would agitate the new Parliament for putting on a tax of, say, 4*s.* in the pound upon the present instead of the past value of land. That he submitted as a practical suggestion deserving early consideration. It had been objected that the carrying out of such a proposal would have the effect of reducing people to beggary. If a 20*s.* tax were imposed even on the real value it would be held by those who lived upon it, or worked upon it; and the only people who would suffer would be those who speculated in land, or were holding it merely for the sake of political or social influence. From a moral and intellectual point of view the best turn would be done to the landowners, if they—or at any rate their sons and daughters—were compelled to work for their living. Therefore, he maintained that instead of injustice being done injustice would be got rid of. There would be no appreciable suffering, because the small owners of land would be much better off, as they would have to pay no other taxation. He, however, agreed with his socialist friends that 20*s.* in the pound put on the actual value of ground rents would not do everything. [A delegate: What is the good of ground rents for poor people?] The good would be that the poor people would not have to pay anything

like the price they did now for their tea, cocoa, coffee, tobacco, beer and spirits. Every time they spent 3*d.* on an ounce of tobacco, they were being robbed of 2½*d.* by the landlord: that was to say, tax ground rent 20*s.* in the pound and they would get an ounce of tobacco for a halfpenny.

Mr. W. DONISTHORPE (Liberty and Property Defence League), replying for Lord Bramwell, suggested that perhaps the best and simplest way of dealing with Nationalisationists would be to lock them all up together in a room, when they would eat one another up like the Kilkenny cats. Just as Fair-traders had several different ways of treating their question—one clamouring for a tax on corn, and another for a tax on manufactured articles—so the Nationalisationists were divided into classes. One class might be said to be fairly represented by Mr. Henry George as advocates of the appropriation of the rental of the land. Mr. George said: 'By no means let State administer the land, as that would be ruinous and opposed to all the laws of political economy. I am opposed to all nationalisation of land in this sense; let us simply confiscate rents.' Another school of Nationalisationists said: 'We mean to make the State the landlord, so that the State shall administer the land, and we shall get rid of the middleman, the landlord who now absorbs so much which ought to pass into the pockets of others.' That school might be fairly represented by Mr. Wallace. The third school was represented by Lord Bramwell, and by all who uphold the present system. The present system was one of nationalisation. (Laughter.) Certainly it was; the present system was one according to which, when it could be shown to be expedient, any portion of the land of the country could be taken from the present owner and put to some other use by the State. For example, if it was expedient that a railway should be run from one part of the country to another, the State thought nothing at all about proprietary rights, or rights of absolute ownership; the land was at once confiscated—well, not confiscated, but bought up at its fair market value. Those who were content with the present state of things were Nationalisationists of the third class; but those who accepted the second view of nationalisation, viz., that the State should take over and administer the land, should consistently join hands with the socialists. He for one did not believe for a moment that the English people were so cowardly and so dishonest as to throw over, to rob and plunder, one class of capitalists without at the same time plundering other classes of capitalists. If it was right to take over the land and dispossess the landowner, it was even more right to take over the property and the capital of railway shareholders, mine owners, ship-owners, and factory owners. He said more right, because he thought

it would be admitted by even the most fervent opponents of landlordism that, of all capitalists, the landlord had actually been the kindest, the most generous, and the most benevolent. (Oh!) He did not want to say too much for the landlord; he was not one himself, but this he would say, that the landlord had, at any rate, shown some little feeling. They knew of numerous cases where landlords had returned a certain percentage of rental in hard times; they knew landlords had sacrificed something; but he defied anyone to give a single instance where a capitalist—using the term in its narrower sense—had sacrificed anything. The capitalist invariably acted according to the laws of supply and demand; he extracted the uttermost farthing. The labourers in the factories, mines, and workshops would bear him out when he said that the capitalists of this country had, as a fact, appropriated every single farthing of the profits of labour. People talked about unearned increment in the rent of land; what was the unearned increment in the profits of capital? They had been told that the additional capital in this country due to the invention of machinery alone during the last half century amounted to something equivalent to 100,000,000 of men. How much of that additional wealth had gone into the pockets of the labourer? Not a single farthing. Therefore, if they were going to confiscate the property of landlords let them at any rate be consistent and honest, and confiscate also the capital of trade, allowing it all to be held and administered by the State. Mr. Harrison, in deprecating individualism, had said if there was anything whatever to be shown for the socialistic measures passed during the last thirty or forty years, it was all to the credit of socialism. That he admitted, though a great many others had been passed and wrongly put down to the credit of socialism. It was said that the Factory Acts were socialistic, the Irish Land Act was socialistic, the Education Act was socialistic; so they were, and many more, including those for crushing out the development of the electric light and telephones. To that extent, said Mr. Harrison, socialism was good; but if it was good, let men come forward and proclaim themselves socialists. He called upon the chairman (Sir C. Dilke) to stand forth and proclaim himself a socialist; he called on Mr. Goschen to proclaim himself an individualist, and likewise upon Mr. Bradlaugh. He was going to call upon Mr. Shaw Lefevre to proclaim himself a socialist because of his very pronounced socialistic address at the Social Science Congress; but he had that day delivered such a very strong individualistic address, that it was difficult to know what to ask him to do. (A delegate: 'He blows hot and cold'). They had been told that trades unionism and co-operation were socialistic. Nothing of the kind. Let the working classes rely upon themselves, nad

upon their unions. Depend upon it, there was no motive power in the State. Whatever had been done by the State had been done through people outside who had put the screw on the State and forced it to do what it had done. The Factory Acts were said to be beneficent measures. All he could say on the point was, if matters had been left more in the hands of trades unions, a larger number of beneficent changes would have been made, though not through the medium of the legislature. But what was the actual case? As soon as trades unions were beginning to feel their legs, the State stepped in, and said 'Don't trouble, my friends, we will attend to all this.' And they did, with the result that the hoped-for effects of individualistic action and organisation were adroitly averted in the supposed interests of employers; and artificial cut-and-dried State restrictions put in their stead, in spite of the warnings of Mr. John Bright and the old school of liberalism and liberty. One word in reply to one of the delegates from the miners of the north. He invited the mine owners to join him in a crusade against mineral royalties. For his own part, as a coal-owner in a humble way, he would rejoice if the landowners would forego these royalties, for, if they did, the royalties would go into the pockets of the coal-owners and not into the pockets of the working classes. But, even if it were otherwise, he would not join in an act of spoliation or robbery, simply because he believed, as they believed, the landowners happened to be in a minority and too weak to resist.

Mr. F. HARRISON, in reply, said it was scarcely necessary for him to occupy the time of the Conference, because he ventured to think that the criticisms they had listened to were already provided against in his larger paper, only an abstract of which he had read to them. For instance, he had been asked by the last speaker but one if when speaking of taxation of land he was prepared to levy upon it 20s. in the pound. Anybody who read the full text of his paper would see that he meant nothing of the kind. What he did mean was land taxation which would be in fair proportion with the other taxes and also in proportion with the taxes on land in other civilised countries. He was far from saying that the present position of the land tax was in that fair proportion. In his paper it would be seen that when he spoke of a variety of things about which there might be a monopoly, he implied those which were actually raised or parted from the soil—*i.e.* detached and movable property. He might instance ships—and it was clear that there were a great many articles of commerce—movable things quite as indispensable as land, and which nobody proposed to nationalise simply because they were rare and very useful. One of the speakers seemed to think that, in arguing that 10,000,000*l.* was spent by landlords on the land, his

argument was to claim credit for landlords. In giving that figure, he was simply stating an economic fact, and he was confining himself to that which was voluntarily spent and not paid out of taxes or rates. Those who had land must, in occupying and tilling it, spend something to keep it going, just as a man had to keep up a ship. That was an economic law. It was hardly necessary for him, before an audience in which many knew him so well, to waste time in showing that he was not opposed to the movements there represented, or in assuring them that he was not a clergyman. The whole force of his paper indicated that there was great value in trades unions, in co-operative societies, and in all the mutual associations and movements of various kinds; that there was a great deal to be done by land law reform, a great deal to be done towards promoting a system of peasant proprietary, and a great deal to be done towards giving farmers a secure tenure of their land. The whole course and effect of his paper was to show not only that there was a great deal but almost everything to be done. He joined hands most heartily with Mr. Lloyd Jones in demanding a change; he was not in the least prepared—he should have thought every word in his paper showed it—to acquiesce in the present system. He thought that he had with him the majority of those who represented responsible bodies in his view, that before accepting any vast social revolution, they must know where it would lead them; and he for one was not prepared, nor did he think the majority of those present were prepared, to take a blind leap in the dark merely with the hope that something might come of it.

The SECRETARY (Rev. W. Cunningham) on behalf of Professor Nicholson, desired to make a protest against the way in which he had been spoken of in his absence. He had known Professor Nicholson for years as one who was most careful in the examination of facts, and most scrupulous in his endeavour to present those facts with perfect fairness. Professor Nicholson had published his results again and again, both in the public newspapers and in his book. Those were before the world to be attacked and to be met. It seemed most unfortunate that, when Professor Nicholson was not present to say a word in his own defence, opportunity should have been chosen to speak so very strongly in regard to him, and to raise laughter behind his back. (No, no.) For his own part he had examined the report of the Crofters' Commission, and according to his judgment, so far as it went, the account of the facts set before the Conference in Professor Nicholson's paper was far less misleading than that put forward in the speech criticising him.¹

¹ See Appendix, p. 515.

Sir RAWSON W. RAWSON, K.C.G.M. (a member of the Committee), having taken the chair, Mr. J. BURNETT (a member of the Committee) rose to move 'That the best thanks of this Conference be accorded to Sir Charles Dilke for the combined ability and tact with which he has presided over its deliberations.' (Applause.) As one of the Committee it was not his duty to appraise the value of the Conference, but he did venture to think that it had, so far, been successful. He believed that its success would be more strongly marked by the educational agency which it would be in the future, as the published report of the proceedings would afford to men representing all sections of society an idea of the state of feeling which prevailed, not only among working men, but among capitalists, as to the existing social system. (Hear, hear.) From the platform every variety of view and opinion had been presented. They had had placed before them the somewhat dismal optimism of Baron Bramwell, and the most advanced doctrines of the socialist school. Between those two extremes the whole matter rested. It was a question which probably would not be settled by the optimism of Lord Bramwell, nor by the hopes of the socialist party. He believed that the desired progress would not be so rapid as Socialists hoped; but he did believe the progress would be made, in so far as he disbelieved in the optimism of Lord Bramwell. The success of the Conference was largely due to the manner in which its deliberations had been presided over by Sir Charles Dilke, of whose ability he did not need to say a single word. Neither had he any need to speak of Sir Charles Dilke as a politician, except to remark that he had invariably been on the side of the people. The office of chairman was one requiring considerable tact, especially in an assembly consisting of persons holding so many different views and representing so many conflicting interests; but in discharging this difficult duty Sir Charles Dilke had been eminently successful. Before sitting down, he would like to include in the vote of thanks Mr. Shaw Lefevre, who had presided for some hours in the morning owing to the absence of Sir Charles Dilke. (Applause.)

Mr. BALL (National Agricultural Labourers' Union), in seconding the motion, said that some credit was also due to the delegates who had attended the Conference. He was glad that the chairman's ruling had been so acceptable to all, and that they had so generously acquiesced in it. This Conference might perhaps serve as an example to another company of men who had sometimes the business of the nation under their consideration. (A laugh.) Although they might have no conception as to the ultimate results of the Conference, yet they had no fear but that those results would be good. He for one was not at all sorry that the views of capitalists, landowners,

and others had been put so strongly before the Conference ; but he did think that, if they would only take the trouble to inquire into the present condition of things, they would, in their calmer moments, modify some of their statements. It was to be desired that everyone, according to his own course of thinking, would try to bring together the various materials they had heard discussed in the hope that out of these might be evolved, if possible, some grand scheme for the amelioration of the suffering population of the country without derogation to the higher interests of other classes. He had no desire to see the social or the political institutions violently interfered with, but he was prepared to do all he could to claim for labour a greater reward than it had ever received.

The vote of thanks was then put to the Conference and carried by acclamation and with added cheers.

Sir CHARLES W. DILKE, in responding, said : On behalf of the vice-presidents and myself, I beg to thank you for the vote you have just passed. Mr. Mundella, I am sorry to say, has not been with us, because his health has not yet sufficiently recovered. Mr. Shaw Lefevre has been, as you know, with us to-day, and has occupied the chair during a portion of the proceedings. I ventured at the beginning of the Conference to make a few remarks with regard to the spirit in which I hoped that our deliberations would be conducted, and the good effect which I hoped might come of these proceedings. The hope which I expressed at our first meeting, that higher interests and objects would not be forgotten, and that the speeches would not assume a merely selfish and money-grubbing character, has been thoroughly borne out by much we have heard, and no one who listened to the impressive address of Professor Beesly yesterday, or who read with care some of the papers laid before us, can fail to see that that higher point of view has prevailed throughout a considerable part of the Conference. (Applause.) There is another matter which, I think, is worthy of notice. It is that, while all parties and all sections, socially speaking, of the community seem to have been represented ; while both capitalists and workmen have been very largely heard, the difference of opinion has not run upon class lines. There have been a great many more workmen who have addressed us than capitalists ; indeed, the majority of those who have taken part in the proceedings of the three days have been workmen and delegates of workmen's associations of various kinds. But that has not occurred here which would be likely to occur abroad, and which often does occur in foreign countries, that all the workmen take one side, and all the capitalists and others than workmen take the other. Among the delegates of workmen's associations

who have spoken we have seen the widest divergences and great differences of opinion. Although, I suppose, as scientific people, we regret differences of opinion, still we expect them to exist; but, on the whole, it is gratifying that there should be no class cleavage between the differences of opinion, and that we should find all the opinions held in all classes as we do in this country. I think the publication of our proceedings and the careful reading of them which will take place, I believe, by enormous numbers of the most intelligent among the working men and the capitalists of this country, cannot but have a most excellent effect for good. These proceedings, and especially the papers—prepared with immense care—will throw a great deal of light, perhaps more than ever has been thrown, upon the important problems we met here to consider. With regard to my own position as chairman, I can only thank the delegates for having so thoroughly supported me in what have been rather arbitrary proceedings on my part. I thought I should have incurred universal execration rather than have received your thanks; because when 140 ladies and gentlemen come together from all parts of the country as delegates of various associations, each commissioned by an important body to speak on its behalf, necessarily and naturally they expect to speak and expect to be heard. It is very difficult to combine the reading of long papers with the hearing of 140 ladies and gentlemen in the course of three days; and if I have been obliged to pass by some altogether by the chances of such a ballot as we have been able to hold, and if I have been obliged to cut down many to five minutes, and some even to three or four, I can only ask them to excuse me on the ground of the general interest; and I can only ask you to believe that I have tried to exercise the office of chairman without favour to anyone. (Applause.)

The CHAIRMAN (Sir Rawson W. Rawson): I would ask the favour to be allowed to say a few words on behalf of the Committee which has been formed for the purpose of bringing you together at this Conference. I intended to have joined myself and the Committee with you in thanking Sir C. W. Dilke. Allow me to do so now. I wish particularly on the part of the Committee to thank those gentlemen who have come here as delegates, many from distant parts of the country, and who have devoted three days to the labours of the Conference, thereby sacrificing their valuable time for the public object designed by the gentleman through whose liberality we have been able to bring you together. (Applause.) I wish also on behalf of the Committee, to thank the several authors of the papers; I beg to thank those who have taken part in the discussion; and I wish likewise to express on the part of the Committee, their gratification at finding they have

been successful in bringing together the representatives of all classes of opinion, which has been their object, with the design of giving each the opportunity, in the face of those who are opposed to them in opinion, of describing their views, and of discussing them one with the other. That has been carried on with an amount of harmony, which the Committee—I for one—scarcely expected; and with I believe future advantage in the publication of the papers and discussions, which will lead eventually to useful, and to permanent results. One word more I wish to say as President of the Statistical Society. Observations have been made with regard to statistics. I am not going to give a lecture upon what statistics are, but I wish simply to say that they are not figures, but are intended to be facts. If the facts are incomplete it is no derogation from statistics. The party to blame is the one who brings together imperfect facts, or facts imperfectly represented. Statistics stand upon the same ground as argument. Because an argument is bad, you might as well say that all argument is worthless; and because certain facts imperfectly recorded are brought forward as statistics, all statistics are worthless. An argument founded upon false premisses, an argument carried on with unsound reasoning and brought to an illogical conclusion, is no argument at all. I hope that one result of this meeting will be that we may be able to represent to Her Majesty's Government the importance of supplying the public with larger and fuller statistics regarding the social condition of the people of this country, in the same way as the American government, or the government of Massachusetts, provides for the periodical and frequent examination of the condition of the people and giving the results to the public. The Statistical Society will not lose the opportunity of calling attention to this subject, and if no other good than that comes of this meeting, I trust it, at any rate, will come in our time.

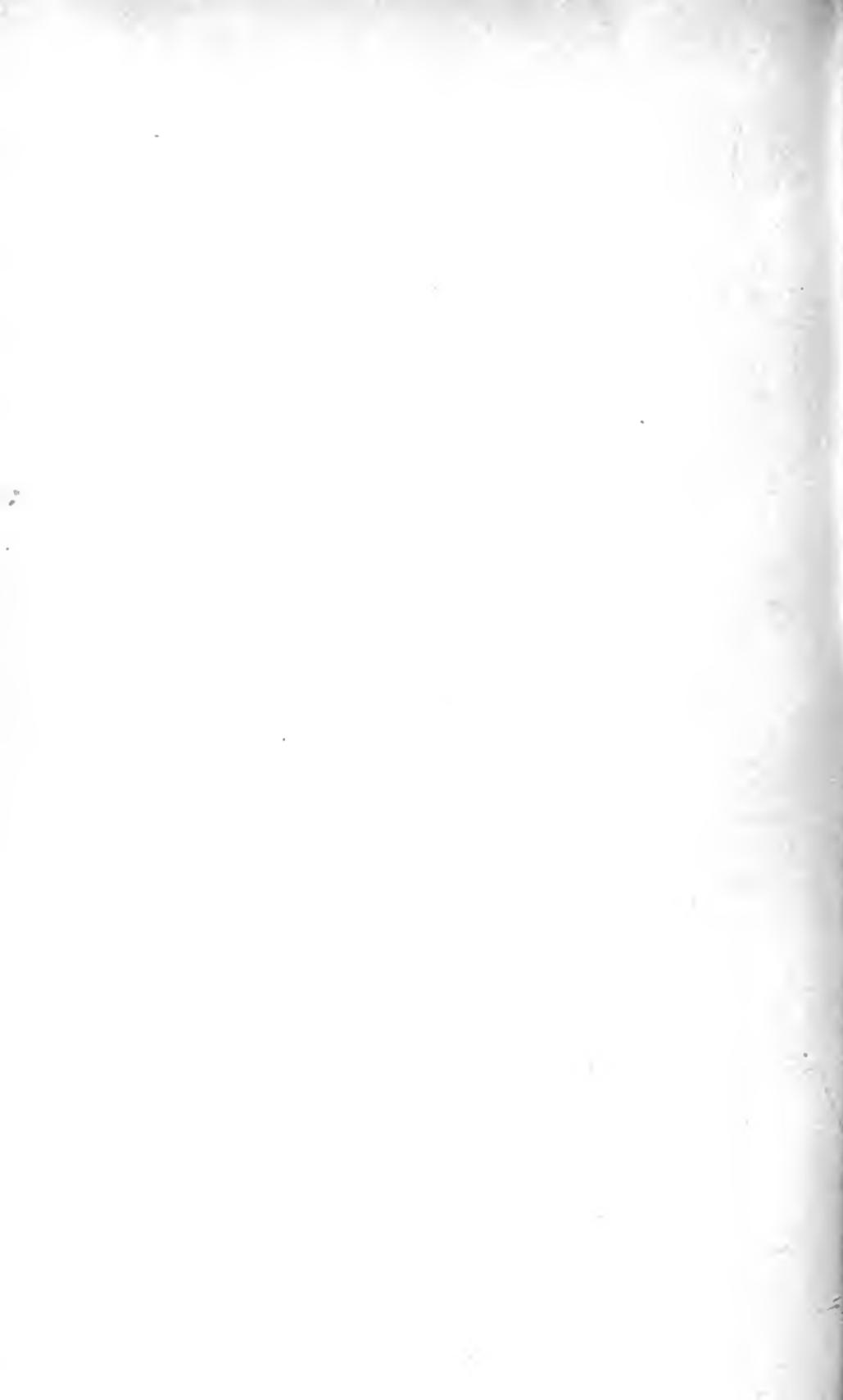
Sir CHARLES DILKE: Before we entirely bring these proceedings to a close, I would like to ask your permission to move a vote of thanks to the Committee, and also I may add, to the Statistical Society, for the work they have undertaken. An immense deal of labour in connexion with this Conference has fallen upon individuals, those who form the Committee, and those of the Statistical Society who have joined them. I, therefore, move that we return our thanks to these gentlemen. I would specially mention Sir Rawson W. Rawson, Mr. Frederic Harrison, and the Secretary—whose names I would accordingly connect with this vote. (Applause.)

Mr. HOLYOAKE, in seconding the motion, said they had seen the patient and assiduous attention rendered to the Conference by the President, but they had no evidence, except in the results, of the un-

seen labour and pains, foresight, calculation, and continued service of the Committee, by which those results had been brought about. Therefore he joined very heartily in the vote of thanks to these gentlemen.

Professor MARSHALL in supporting the motion, added his tribute to the Secretary, to whose untiring exertions and tact a great deal of the successful working of the Conference was due. Mr. Cunningham's secretarial duties had prevented the Conference from hearing him speak as a political economist, in which he was quite as proficient as in his other capacities. (Applause.)

The vote was passed unanimously. The Conference then broke up.



APPENDIX.



LEGISLATIVE REGULATION OF SHOP HOURS.

BY J. F. MILLAR, AND REVISED BY MALCOLM GUTHRIE, J.P.,
AN EMPLOYER.

(Delegates of the Shop Hours League.)

No enquiry into the well-being of the working classes can be complete which fails to take into consideration the condition of the large section of the community employed in shops. The great grievance which shopkeepers and their assistants have to complain of is the length of the hours to which their labours are protracted, and their consequent inability to obtain that necessary relaxation of employment which enfeebled mind and body alike require.

Amongst the artisans a general consensus of opinion exists that the length of a proper week's work is fifty-four hours, which gives an average of nine hours per day. Shop-assistants, however, are employed as a rule eighty-three hours per week, or almost fourteen per day, being rather more than one-half in excess of other trades. The evil is an acknowledged one, and its injurious effects upon the physical powers undisputed, the sole question which requires solution being as to the form which the remedy shall take. To artisans who by combination and strikes have secured their emancipation from the slavery of long hours, a similar course of conduct seems the most desirable. But the circumstances of the two classes are totally different. The combination of the artisan and the strength of his organisation is favoured by the employment of large numbers of

men by few firms, and by the fact of his specially-skilled labour.

In shops, however, the employment of large numbers by single firms is the exception, and the striking power of the assistants is thus rendered impracticable. The assistants are of all ages and both sexes, and comprise so many dependent and necessitous persons that a trade organisation is impossible. Also the kind of service required—namely, the sale of goods, is more readily supplied from outside sources than is the case in the manufacture of goods for which a long and special training is necessary. Again, the position of the two parties as regards procedure after a disagreement is thoroughly distinct. The artisan carries his recommendation for employment in his manual dexterity. If he is competent he is retained, if incompetent, dismissed; but he requires no written guarantee of his capacity from his previous employer when he goes to a fresh field of labour. The shop-assistant, however, must give references to his former employer before obtaining a new situation, and this supplies the employer with a powerful weapon to injure, if so disposed, any assistant who may have displeased or thwarted him. For these reasons a combination to procure an amelioration of their condition by means of strikes becomes an impossibility to the shop-assistants. Philanthropists urge that the cure lies with the employers, who have it in their own hands to fix a reasonable hour at which to close their establishments. If all employers were, as the great majority are, anxious to deal justly, then this remedy would be perfect and easy. But the employer who desires to act fairly has two difficulties to contend with, viz., the thoughtlessness of the purchasing public and the greed of competitors. It is no uncommon thing for a purchaser to put in an appearance after business has ceased to be looked for, and to urge as an excuse: 'Oh, I thought you would not have closed for another hour, or I would have come earlier.' And every shopkeeper knows that in the middle and lower class trades there is an invariable rush of customers as the shutters are being put up. The truth is that purchasers suit themselves to the hours of the shop, and make their arrangements accordingly. So long as shops are open

they continue to come, and experience has shown that when the shops close early no diminution of business has been experienced, nor, after the first few days, any complaint of inconvenience made. With a covetous unprincipled employer no voluntary arrangement will ever be productive of good. He will unscrupulously give his name and support to any movement for the purpose of securing earlier hours of closing, and even give his monetary subscription, but as soon as his neighbours have fairly started the better system he at once resumes his late hours, and thus compels them to also depart from their agreement. In this manner a powerful organisation of employers and employed was rendered ineffectual in the last great movement in Liverpool in the year 1873.

The subject is thus surrounded with great difficulties, and recognising the impossibility of improvement by either of the modes referred to, the society which I have the honour to represent has been forced to accept the conclusion that no cure remains for the remedy of the evil save that which can be secured by legislative enactment. Every reformer knows that the last appeal of any body of men in this country is to the law. For fifty years nearly has the voluntary system been tried, and it must be allowed by every impartial observer that it has only partially succeeded, and has long since reached its limits in the early closing of the higher class of shops, leaving the great majority of shop-assistants still suffering from the old evils which social reformers have so heavily denounced. The objections to legislative enactment which have been urged show no variety from those which have at all times been brought forward against any interference of the State in the regulation of labour. It is said that such a proposal is an interference with the liberty of the subject, and a direct hampering of the rights of private contract. But when it is shown that the liberty conceded to one section of the community results in the slavery of a larger section, it is evident that such liberty must be curtailed. The very foundation of good government is the protection of the weak against the strong, and where the liberty party push their privileges beyond reasonable limits to the detriment of others it ceases to be that true liberty which means proper freedom

for all. The body politic cannot be healthy if one of its members be diseased, and the State like a wise physician must study the disease and apply the competent remedy. And, indeed, it is not sought to take away or even to touch any right of free contract which exists. The sole aim is to constitute a just basis on which private contract may proceed. The relations which exist between the shopkeeper and his assistants are of a very one-sided character. An assistant may enter an employment where his working hours are supposed to be ten per day, and thus it may be said that the employer and himself enter into a contract for those hours. But it is no uncommon case for an employer to protract those hours, and increase the duties from ten to twelve hours. If the law of contract existed the assistant would be entitled to compensation; but in reality he has no redress. He must work the additional time for the same salary or leave the employment. The law courts are closed to him. If he resist or complain then dismissal follows, with its adjunct of a dubious reference to any other employer whose service he may seek to enter. I know of cases where assistants have been asked to add Sunday labour to their six days' work, with no other alternative than that I have mentioned. Where then does the freedom of private contract exist? Practically all power is upon the side of the employer, and, without the support of a trade organisation (impossible in this case), the only freedom of a necessitous assistant—perhaps a man with a family dependent upon him—is the freedom to submit or to suffer great privations.

It has been shown by experience in the operation of the Factory and Workshops Acts that the interference of the Legislature has been productive of unmixed good. By preventing overwork and limiting the hours of labour to a reasonable length, it has raised the standard of health and the duration of life amongst the operatives who come under its scope. Whilst the employer acknowledges that the amount of work completed in the restricted hours compares favourably both as to quantity and quality with what was previously produced with inordinate hours, so that the gain of the worker has entailed no loss upon the employer. If, therefore, the factory owner can, despite the

heavy capital sunk in machinery, observe the factory laws without any loss of gain, surely the shopkeeper can pass through the same experience.

If any antagonism to legislative action had been shown by the employers, then the question would have been complicated; but the vast majority of employers are quite as desirous of a curtailment of their hours as the assistants, and as satisfied that this cannot be obtained without the intervention of the State. In Liverpool, where the present movement had its origin, a test vote of employers was taken with the view of ascertaining definitely their opinions. Six thousand four hundred voting papers were issued, the issue being confined to districts closing after seven in the evening, and spreading over all shopkeeping occupations. The questions to be answered were: 1. Do you desire legislation for shop hours? 2. What hour do you approve of? 3. What hour do you approve of on Saturdays? Two thousand and seventeen replies were received, of which 1,770 were in favour of legislation, 204 against, and 43 neutral. Of those 90 stated no hours, 1,607 were in favour of closing not later than eight on five evenings of the week, and 1,113 not later than ten on Saturdays. Late as these hours are they are such a manifest improvement on the present that the Liverpool Shop Hours League framed a bill in accordance therewith, which was introduced last session by the three members for the city. By an abuse of the privileges of the House of Commons, C. H. Hopwood, Esq., member for Stockport, prevented a discussion upon the question, and thus the matter was shelved. This is to be regretted, as the strong opinion of the employers evidenced in the foregoing returns warranted a special bill, which could have been fairly proceeded with as an experiment in general legislation on the subject. That the question will have to be taken up by the Legislature is clear, and it is to be hoped that speedy action may proceed under the new franchise so as to lessen the grievance and save from disease and death the thousands of shop-assistants whom the present system hurries into an early grave.

The bill to which allusion has been made read as follows:—

47 VICT.]

SHOP HOURS REGULATION (LIVERPOOL).

A Bill to regulate the hours of labour in shops and warehouses in the City of Liverpool and the vicinity thereof.

Whereas by reason of the present hours of labour in shops and warehouses in the City of Liverpool and the vicinity thereof, many of those employed therein are grievously injured in health; and inasmuch as it is unnecessary for the convenience of the public that the excessive length of such hours should be continued:

Be it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:

1. This Act may be cited as the Shop Hours Regulation Act, Liverpool 1884.

2. This Act shall apply to such part or district of the county of Lancaster as is now or may hereafter be supplied with water by the Corporation of Liverpool.

3. The term 'shop' or 'warehouse' used in this Act shall signify any shop, warehouse, stall, or other premises for the sale of goods or articles of barter other than the establishments mentioned in the schedule to this Act.

4. On and after the first day of October one thousand eight hundred and eighty four, it shall not be lawful for any premises as afore described to be open on Sundays for any period whatever, nor shall it be lawful for them to be open on any of the next five days of the week beyond the hour of eight o'clock in the evening, or on Saturdays beyond ten o'clock in the evening, the said hours to be reckoned by the clock fixed in the cupola of the Town Hall at Liverpool.

5. Any employer infringing this Act shall be liable to a fine not exceeding ten pounds for each offence; provided always, that where the employer can show that the offence has been committed by some agent, servant, or other person, contrary to his express injunctions, and without his knowledge, consent,

or connivance, the said agent, servant, or other person shall be summarily convicted of such offence, and the employer shall be exempt from any fine.

6. All offenders under this Act shall be proceeded against under the Summary Jurisdiction Acts.

Schedule.

OCCUPATIONS EXEMPTED.

Milk Sellers.

Tobacconists' shops where tobacco and smoking utensils alone are sold.

Shops licensed for the sale of refreshments to be consumed on or off the premises.

Apothecaries, for the sale of drugs only.

It might be urged that legislation for one town alone in the matter of shop hours is to be deprecated, and that it were better to wait until a Bill for the whole country could become law. But we would point out that, in the matter of shop hours, partial legislation would in the present stage of the question be preferable. All social reforms come about gradually and are expanded as the result of experiment, but how much better and more complete could a scheme of reform be made if it were first tested in a special locality and under favouring circumstances. Now in all respects Liverpool offers a fair and available field for such an experiment. The present movement had its inception there. It has been supported as much by employers as by assistants. It has obtained, as we have shown, the written adhesion of great numbers of the shopkeepers of every class, and the verbal approval of many more, while the opposition, so far as can be ascertained, is but small. Any Bill therefore made applicable to Liverpool would have a fair and conscientious trial, upon the results of which would depend the consideration of its applicability to the whole country.

The tendency of recent opinion is to confer power upon local centres to legislate for their own good, and to abate the tendency

to imperial centralisation. It is on these lines that we proceed, and whilst asking nothing that is extreme, nothing that will in any way injure one solitary interest, we crave what to thousands of shopkeepers and their assistants will prove an immense boon.

II.

ABSTRACT FROM VALUATION ROLLS OF THE BURGH OF DUNDEE FOR THE YEARS 1868-69 AND 1884-85, SHOWING THE NUMBER AND ANNUAL VALUE OF DWELLING HOUSES, CLASSIFIED ACCORDING TO RENTAL. (See page 46.)

| | YEAR 1868-69 | | | | YEAR 1884-85 | | | |
|---|--------------|----------------------------|----------------------|---------------------------------|--------------|----------------------------|----------------------|---------------------------------|
| | Number | Percentage of Gross Number | Yearly Rent or Value | Percentage of Gross Yearly Rent | Number | Percentage of Gross Number | Yearly Rent or Value | Percentage of Gross Yearly Rent |
| Of rents under 3 <i>l</i> . | 5,237 | 21.89 | £ 11,941 | 7.864 | 2,111 | 6.255 | £ 4,924 | 1.879 |
| Of 3 <i>l</i> . and not exceeding 4 <i>l</i> . | 6,227 | 26.024 | 21,541 | 14.187 | 7,039 | 20.858 | 24,849 | 9.483 |
| Above 4 <i>l</i> . and under 5 <i>l</i> . | 1,998 | 8.351 | 8,950 | 5.894 | 2,281 | 6.759 | 10,176 | 3.883 |
| Of 5 <i>l</i> . and not exceeding 10 <i>l</i> . | 8,230 | 34.4 | 51,992 | 34.242 | 17,795 | 52.732 | 120,688 | 46.055 |
| Above 10 <i>l</i> . and not exceeding 15 <i>l</i> . | 1,001 | 4.184 | 12,612 | 8.306 | 2,309 | 6.842 | 28,593 | 10.912 |
| " 15 <i>l</i> . | 431 | 1.8 | 7,651 | 5.039 | 941 | 2.788 | 16,575 | 6.326 |
| " 20 <i>l</i> . | 327 | 1.367 | 8,425 | 5.548 | 590 | 1.748 | 14,892 | 5.685 |
| " 30 <i>l</i> . | 170 | .71 | 6,118 | 4.109 | 237 | .7 | 8,536 | 3.258 |
| " 40 <i>l</i> . | 168 | .71 | 8,382 | 5.525 | 220 | .651 | 11,221 | 4.284 |
| " 60 <i>l</i> . | 95 | .397 | 7,408 | 4.878 | 170 | .51 | 12,868 | 4.911 |
| " 100 <i>l</i> . | 40 | .167 | 6,812 | 4.408 | 53 | .157 | 8,710 | 3.324 |
| | 23,924 | 100 | 151,835 | 100 | 33,746 | 100 | 262,018 | 100 |

Total increase in number 9,822 = 41.05 per cent.
 " of annual rent or value £110,183 = 72.5 "

NOTE.—It may be noted from the above that upon an average the rents of houses below 10*l*. have increased from the former to the latter period from 4*l*. 7*s*. to 5*l*. 10*s*., equal to about 26½ per cent., and if we reckon the number of houses occupied by the working classes to be an equal proportion of the whole number in the periods referred to, this percentage will be slightly increased, probably to 28 per cent. As the percentage referred to in the paper was assumed as about 50 per cent. of an increase in rental during the period of 25 years, it is probable that the stated increase was above the truth. The above table, which was prepared by the Police Treasurer of Dundee at the writer's request, was received too late to be noticed earlier.

III.

LETTER TO THE EDITOR OF THE 'TIMES'

BY PROFESSOR J. S. NICHOLSON.

(See page 500 above.)

(Reprinted from the 'Times,' Feb. 3, 1885.)

Sir,—In the discussion of my paper on State Management at the Industrial Remuneration Conference on Friday last, Dr. G. B. Clarke is reported to have said that some of my statements regarding the crofters were the very reverse of truth. As I was unfortunately unable to be present and to answer Dr. Clarke on the spot, will you allow me space to quote three sentences from the report of the Crofters' Commission, which amply prove my statements—(1) That the crofters are not, with a few exceptions, rack-rented: (2) That they practically enjoy fixity of tenure: (3) That subdivision on some estates has been caused by the weakness or indulgence of the landlord.

On page 50 of the Report I find it stated: 'In most cases a considerable degree of indulgence, often amounting to benevolence, may be discovered in the rent of small holdings; they are rarely disposed of, when vacant, on a purely commercial principle, or by public competition in any form, and are almost invariably held on easier terms than might be obtained in the open market by the inconsiderate rivalry of people aspiring to the occupancy of land.' On page 51 it is stated:—'On a comprehensive view of the rents paid by the small tenants in the Highlands and Islands we have not found in the conduct of proprietors ground for proposing a general revision by official authority.' On page 16: 'Eviction and repartition have done their lamented work and passed away for ever; . . . but the dangers of subdivision are perpetuated by the tenacity of the tenant, who often settles his offspring on the impoverished holding in defiance of estate regulations.'

The fact that I advocated the adoption of leases as a remedy for the crofter difficulty is a sufficient proof that my statement regarding fixity of tenure referred to estate rules and not to law.—I am, &c.,

J. SHIELD NICHOLSON.

THE UNIVERSITY, EDINBURGH:

Jan. 31.

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[The Names of Members of the Conference and of Societies represented are in small capitals.
The names of authorities quoted are italicised.]

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